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3-1-1986

Food Employers and United Food and Commercial Workers, AFL-CIO, Local 588 (1986)

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Food Employers and United Food and Commercial Workers, AFL-CIO, Local 588 (1986)

Location

Sacramento Co., CA; Yolo Co., CA; Placer Co., CA; El Dorado Co., CA; Amador Co., CA; Calaveras Co., CA; Tuolumne Co., CA; Stanislaus Co., CA; San Joaquin Co., CA; Nevada Co., CA; Washoe Co., NV; Douglas Co., NV

Effective Date

3-1-1986

Expiration Date

2-28-1989

Number of Workers

6250

Employer

Albertson's, Inc.; Fry's Markets; Lucky Markets; Raley's Markets; Safeway Stores, Inc.

Union

United Food and Commercial Workers

Union Local

588

NAICS

44

Sector

P

Item ID

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Comments

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MASTER FOOD AGREEMENT

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JUN 8 1987

Agreement Between

UNITED FOOD & COMMERCIAL
WORKERS UNION,
LOCAL 588 AFL-CIO
Sacramento, California

and

FOOD EMPLOYERS

Albertson's, Inc., Fry's Markets,
Lucky Markets, Raley's Markets,
Safeway Stores, Inc.

March 1, 1986-February 28, 1989



Dear Brothers and Sisters:

For those members who work for the companies that have signed this Master Food Agreement, the provisions of this document define in detail the conditions under which you make your living. As such, it is a most important piece of paper.

I respectfully but urgently suggest that you read it carefully and then retain it with your other vital papers. Our job at the Union is to make sure that your Employer lives up to both the letter and intent of this contract. Nonetheless, if you have a general understanding of the contents, the never-ending task of enforcement will succeed to the maximum — and the chances that you will be improperly treated by your Employer will be diminished.

Please get in touch with your Union Representative if you have any questions about this Agreement, and most especially if you think that your Employer is, at any time, not living up to it fully.

The wages, benefits, and working conditions set forth in these pages represent 50 years of progress by your Union, progress won by the blood, sweat, and tears of the thousands who came this way before us. Sacrifice and solidarity created all that you have today in the workplace. Our best hope to keep what we have and to continue our steady record of improvements is to assure that Employers honor this Agreement completely. Your participation in this process is critical for yourself and for those who will follow.

“Strength Through Unity”

With warm personal regards,

Fraternally and respectfully,

A handwritten signature in dark ink, reading "Jack L. Loveall". The signature is written in a cursive, flowing style with a large initial 'J'.

JACK L. LOVEALL
President

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1986-1989 MASTER FOOD AGREEMENT

UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 588

THIS AGREEMENT, entered into this _____ day of _____, 19_____,

by and between _____,

a (here insert whether a corporation, partnership or individual) _____

_____, First Party, referred to hereinafter as the "Employer", and UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 588, chartered by the United Food and Commercial Workers International Union, AFL-CIO, CLC, referred to hereinafter as the "Union."

It is the intent and purpose of the Employer and the Union to promote and improve labor-management relations between them and to set forth herein the basic terms of agreement covering wages, hours, and conditions of employment to be observed.

WITNESSETH:

In consideration of mutual promises and agreements between the parties hereto, and in consideration of their mutual desires in promoting efficient conduct in business and in providing for the orderly settlement of disputes between them, the parties to this Agreement agree as follows:

Section 1. RECOGNITION AND CONTRACT COVERAGE

1.1 RECOGNITION: The Employer hereby recognizes the Union as the sole collective bargaining agency for an appropriate unit consisting of all employees working in the Employer's retail food stores within the geographical jurisdiction of the Union covering Sacramento, Yolo, Placer, El Dorado, Amador, Calaveras, Tuolumne, Stanislaus and San Joaquin Counties, Eastern Nevada County (East of Donner Summit), Southwestern Washoe County, Nevada (Tahoe Basin) and Northwestern Douglas County (Tahoe Basin), except meat department employees and supervisors within the meaning of the National Labor Relations Act, as amended.

1.2 CLERK'S WORK: The work covered by this Agreement shall be performed only by members of the appropriate unit as defined in Section 1 hereof and such work shall consist of all work and services connected with or incidental to the handling or selling of all merchandise offered for sale to the public in the Employer's retail food stores including the demonstration of such products, but excluding:

1.2.1 Supervisory functions;

1.2.2 Such work as may be performed by employees working exclusively in the meat department and who are engaged in the handling, cutting, selling, processing, wrapping, or displaying of fresh, frozen or processed meats, poultry, fish and seafood products in said department;

1.2.3 Work of employees heretofore expressly excluded from the provisions hereof by agreement of the parties;

1.2.4 Such work as is performed under prevailing practices within the geographical jurisdiction of this Union at the point of delivery by a driver-salesman engaged in servicing the retail food stores with merchandise directly from a delivery vehicle.

1.2.5 During any three (3) consecutive days preceding the reopening of an old food market or discount center of the Employer, which has been closed for remodeling for a period of thirty (30) days or less, upon prior notice to the Union, persons not in the bargaining unit may perform any work in such store.

Notwithstanding any language to the contrary contained in this Agreement between the parties, it is agreed that this Agreement shall have no application whatsoever to any new food market or discount center until fifteen (15) days following the opening to the public of any such new establishment. Neither shall this Agreement have any application whatsoever to any food market or discount center which is reopened after it has been closed for a period of more than thirty (30) days until the fifteenth (15th) day following the date of such reopening to the public.

The Employer shall staff such new or reopened food market with a combination of both current employees and new hires, in accordance with current industry practices of staffing such stores with a cadre of current employees possessing the necessary skills, ability and experience, plus sufficient new hires to meet staffing requirements. Employees who are thus transferred, upon whom contributions are made to the various Trust Funds, shall continue to have contributions to the several Trust Funds made on their behalf in the same manner and in the same amount per hour as such contributions were made prior to their transfer.

Notwithstanding anything in this Agreement to the contrary, it is agreed that when the remodeling of an existing location occurs without such store being closed, the Employer shall only be obligated to give the members of the bargaining unit employed by him in such store an opportunity to perform the work required for such remodeling at the applicable contract rate except that such opportunity to perform such work shall not include any overtime hours. When members of the bargaining unit within such store are not available for such work, such work may be performed by persons not in the bargaining unit.

Notwithstanding anything to the contrary contained in this Agreement between the parties, it is agreed and understood that the probationary period for any new hires in such new or reopened stores referred to above shall not begin until the fifteenth (15th) day following such opening or reopening of such stores to the public.

1.3 NON-FOODS AND GENERAL MERCHANDISE: It is agreed that in the event the Employer, after the execution of this Agreement, institutes a non-food or general merchandise classification or department, either directly or by departmental concession, or creates work of a non-food or general merchandise nature as hereinafter defined, in any retail food store or stores within the geographical jurisdiction of this Agreement, then a Non-Food or General Merchandise Clerk classification and rates of pay therefor shall be established under the conditions hereinafter set forth.

DEFINITION OF A NON-FOOD OR GENERAL MERCHANDISE LEASED DEPARTMENT: Non-food or general merchandise leased

departments shall consist of a physically separated and distinctly defined section of the food store where only non-food or general merchandise is displayed.

1.3.1 DEFINITION OF FOOD AND NON-FOOD OR GENERAL MERCHANDISE: In interpreting and applying all references to "non-food or general merchandise" in this Agreement, the following are the agreed upon definitions of food and non-food or general merchandise:

(1) **FOOD MERCHANDISE:** Food merchandise shall consist of all foodstuffs, including pet supplies, non-alcoholic beverages and beer, nursery items, candy and tobacco products, all household paper goods and all household cleaning and laundry supplies excluding cleaning equipment.

(2) **NON-FOOD OR GENERAL MERCHANDISE:** Non-food and/or general merchandise shall consist of any merchandise other than that included in the definition of food merchandise. This includes service delicatessen merchandise, health food merchandise, floral merchandise, bakery merchandise (including checking in bakery driver/salesman), except bakery products delivered and displayed by a driver/salesman, and alcoholic beverages excluding beer. Non-food or general merchandise work may include utility or cleaning work.

In accordance with the addition of health food merchandise to the definition of non-food department, it is agreed that employees who are currently assigned to exclusively work health food merchandise shall be grandfathered in their current classifications.

1.3.2 DEFINITION OF NON-FOOD OR GENERAL MERCHANDISE WORK: All work and services connected with or incidental to the handling or selling of non-food or general merchandise offered for sale to the public shall be performed by a Non-Food or General Merchandise Clerk within the bargaining unit. A Non-Food or General Merchandise Clerk shall spend his time exclusively in the performance of work and services connected with or incidental to the handling or selling of the non-food or general merchandise offered for sale to the public. A Non-Food or General Merchandise Clerk (except Utility Clerks) shall wear a distinctive uniform at all times.

Whenever an Employer utilizes a Non-Food or General Merchandise Clerk, there shall be up to one (1) full-time forty (40) hour week employee so employed before additional persons are utilized.

1.3.3 NON-FOOD AND GENERAL MERCHANDISE AND UTILITY CLERKS RATES OF PAY: Except for the compensation and terms as herein provided, all other terms of this Agreement shall be fully applicable to Utility, Non-Food and General Merchandise Clerks.

NON-FOOD GENERAL MERCHANDISE WAGE RATES

Non-Food/General Merchandise Clerks hired prior to March 8, 1983, shall receive the following wage rates:

Head Clerk (Optional)	\$9.459 per hour
Experienced Clerk	9.059 per hour
3rd 520 Hours	8.153 per hour
2nd 520 Hours	7.247 per hour
1st 520 Hours	6.341 per hour

Non-Food/General Merchandise Experienced Clerks hired on or after March 8, 1983, shall receive the following wage rates:

Head Clerk (Optional)	\$8.10 per hour
Experienced Clerk	7.70 per hour
3rd 520 Hours	6.93 per hour
2nd 520 Hours	6.16 per hour
1st 520 Hours	5.39 per hour

WAGE RATES FOR UTILITY CLERKS CLASSIFIED PRIOR TO 3/1/80

	HOURLY	WEEKLY	SUNDAY	S. JOAQUIN COUNTY SUNDAY
1st 520 Hours (70%)	\$6.344	\$253.76	\$ 9.25	\$ 9.516
2nd 520 Hours (80%)	7.250	290.00	10.572	10.875
3rd 520 Hours (90%)	8.157	326.28	11.893	12.2355
Thereafter (Experienced)	9.063	362.52	13.2145	13.5945

The above Utility Clerks' wage rates for employees classified prior to March 1, 1980, are frozen until the Non-Food/General Merchandise rates equal this schedule, at which time these Utility Clerks will then be paid the same rates as Non-Food/General Merchandise Clerks.

SUNDAY PREMIUM: Effective upon ratification, April 11, 1986, the Sunday premium shall be paid for at the rate of one and one-half (1½) times the straight-time hourly rate (less 38¢) per hour (excluding San Joaquin County).

NIGHT PREMIUM: All employees shall receive extra compensation, in addition to the regular scale herein set forth, of twenty-five cents (25¢) per hour for all work performed between the hours of 7:00 p.m. and 7:00 a.m.

1.3.4 In the event an employee is designated the majority of his time to buy or select merchandise or direct employees in the non-food or general merchandise category, he shall be classified as no less than a Non-Food and General Merchandise Head Clerk.

1.3.5 It is recognized that utilization of the services offered by rack-jobbing concerns shall be limited to non-food or general merchandise items. It is agreed that no Non-Food Clerk on the payroll as of the date of ratification, April 11, 1986, shall be laid off or have his hours reduced as a direct result of the expanded utilization of rack-jobbers.

1.3.6 HOURS: Part-time employees shall be scheduled for a minimum of four (4) hours per day.

1.3.7 CONTRACT COVERAGE AND ENFORCEMENT: All persons performing non-food or general merchandise work shall be covered by this Agreement, except only that a single owner or lessee of a non-food or general merchandise department shall be exempt.

Except for the Non-Food or General Merchandise Clerk's compensation, as hereinafter provided, all other terms of this Agreement shall be fully applicable to Non-Food or General Merchandise Clerks. No employee shall suffer any reduction in pay as a direct result of this Agreement of the parties as to Non-Food or General Merchandise Clerks.

In the event the Employer fails to observe the terms of this Section in any respect, the Union shall notify the Employer in writing of such violation and it shall be corrected. Following such notice, if the Employer again, within six (6) months, violates the terms hereof and it is so determined by the Adjustment Board or an arbitrator, then in such event, such Employer shall no longer be entitled to a Non-Food or General Merchandise Clerk classification, and the Food Clerk rates shall thereafter become applicable to all non-food or general merchandise work in the Employer's store where the violation occurred.

1.3.8 Employees who are performing work in the non-food or general merchandise category and who are classified as Food Clerks will not have their hours reduced or be laid off as a direct result of the introduction of this classification, nor will they be reclassified to a Non-Food or General Merchandise Clerk if the Employer chooses to have them continue performing such work.

1.3.9 In the event the Employer creates new jobs or job duties involving the handling or selling of merchandise not heretofore offered for sale by the Employer, the Union and the Employer shall meet to determine: (1) whether the competitive situation would justify coverage within the non-food or general merchandise category and/or (2) if so, the proper wage rate and classification to apply to such new job duties. In the event the parties are unable to agree on the above, disputed matters shall be processed in accordance with Section 19 of this Agreement, and any determinations will be made retroactive to the date of establishment of such duties.

1.3.10 With respect to the application of Section 5 SENIORITY of the basic Agreement, employees designated as Non-Food or General Merchandise Clerks, or Utility Clerks, will be treated as a separate classification on a store-by-store basis with respect to all seniority questions, except for layoffs and promotions and except that employees so classified will be eligible for promotional opportunities and will be evaluated in accordance with the language set forth in Section 5.3. Seniority, with respect to layoffs of employees in this classification, shall be applied in a manner which recognizes the qualification required of employees in each of the following groups within this classification: bakery, delicatessen, utility or non-food. Except as hereinabove specifically modified, all other terms of Section 5 SENIORITY shall be fully applicable to employees in this classification.

1.4 SUBCONTRACTING AND SUBLEASING: It is recognized that the Employer and the Union have a common interest in protecting work opportunities for all employees covered by this Agreement. Therefore, except for work which is exclusively inventory or janitorial work (such as washing windows, washing or waxing floors and cleaning restrooms) or work hereinabove excluded, no work covered by this Agreement, as defined in Section 1.2 hereof, shall be performed under any sublease, subcontract, or other agreement unless the terms of said lease, contract, or other agreement specifically provide: (1) that all such work shall be performed only by members of the appropriate unit as defined in Section 1.1 hereof; and (2) that the Employer, party hereto, shall at all times hold and exercise full control of the terms and conditions of employment of all such employees pursuant to the terms of this Agreement.

1.5 It is recognized that if the terms of the Employer's lease, contract or

other agreement obligates the lessee or other party, as the case may be, to pay the wages and observe the other terms and conditions of this Agreement, then the Union agrees that the sole and entire financial responsibility for meeting the costs of observance of this Agreement shall be upon said lessee or other party and not upon this Employer and that he shall be, and by these presents is, hereby released from any and all financial liability in connection therewith.

1.6 STORE MANAGERS AND ASSISTANT STORE MANAGERS: None of the provisions of this Agreement need apply to one overall supervisory Store Manager and the Assistant Store Manager in stores of thirty thousand (30,000) square feet or more and their work in each retail food store in which an owner is not actively engaged on the premises. The Store Manager and Assistant Store Manager shall not be restricted as to the amount of non-supervisory work they may perform.

No Assistant Manager shall be involuntarily reclassified as a direct result of this provision during the term of this Agreement.

1.7 OWNERS: There shall be not more than two (2) Employers in any store or group of stores having common ownership. In partnerships, "Employer" as used in this Sub-Section means only bona fide partners who own an interest in the assets and in the profits of the partnership. In corporations, "Employer" as used in this Sub-Section means only two (2) officers of the corporation who own capital stock of the corporation. No more than two (2) shareholders of a corporation or more than two (2) bona fide partners shall be deemed or classified as an Employer within the meaning of this Agreement. Employers as thus defined may do such work as is necessary in the conduct of the business. All other persons performing work under the jurisdiction of the Union shall be members of the Union and shall be governed by the provisions of this Agreement.

1.8 NEW OWNER: This Agreement shall be binding upon the successors and assigns of the parties hereto. Except as set forth in Section 11 VACATIONS, during the life of this Agreement employee benefits provided for herein shall not be affected by the sale or transfer of the business for those employees who are retained by a new Employer for a period of more than sixty (60) calendar days. For employees who choose to be employed by such new owner, such sixty (60) calendar day period shall be considered a probationary period during which time employees may be terminated without recourse to the grievance procedure, unless such termination is in violation of Section 3.4 or Section 4.1 of this Agreement.

1.9 SALESMEN: The Employer assumes a particular responsibility to require observance of this Agreement on the part of book-salesmen. The Employer shall give to one (1) clerk on each shift written authorization to request any book-salesman performing work in violation of this Agreement to cease such work. If the book-salesman does not comply with such request, then the authorized clerk shall report the matter to the Employer or Store Manager, who shall then cause the book-salesman to cease such work.

1.10 TRAVELING CLERKS: It is agreed by the Employer and the Union that employees may be assigned to work in two (2) or more different stores located in the geographical jurisdiction of two (2) or more Local Unions. Each such employee shall be covered by all of the terms and conditions of the Agreement which is in effect in the area in which he works the major portion of his time. In the event that he does not work the major

portion of his time in any one area, then the Employer shall designate the area Agreement under which he is working and shall give written notice of the area so designated to the Union.

1.11 INDIVIDUAL AGREEMENTS: The Employer agrees that no employee covered by this Agreement shall be compelled or allowed to enter into any individual contract or agreement with said Employer concerning wages, hours of work and/or working conditions that provides less benefits than the terms and provisions of this Agreement, except by written agreement of the Employer, the employee and the Union.

1.12 ENFORCEMENT: When the Employer has knowingly permitted non-bargaining unit persons to perform work in violation of the Agreement, he shall be liable in damages payable to a recognized charity mutually agreed to by the parties in the amounts below for each proven violation. On a store-by-store basis:

(1) At the time of the first knowing violation, an amount equal to one (1) day's wages at the regular clerk's rate plus equivalent health and welfare and pension contributions.

(2) At the time of a second knowing violation, an amount equal to two (2) days' wages at the regular clerk's rate plus equivalent health and welfare and pension contributions.

(3) An additional day's wages plus the equivalent health and welfare and pension contributions shall be added cumulatively for each subsequent knowing violation.

1.13 RETAIL SALES MERCHANDISERS: Employees working under subcontracts for Merchandising Services, for PIA, BDI, TRADE-MARK SALES, hired after the date the 1986-1989 Food Industry Retail Agreement is ratified, April 11, 1986, shall be paid as follows:

1st 1,040 hours	\$7.00
2nd 1,040 hours	7.35
Thereafter	7.70

Section 2. UNION STORE CARD

In consideration of the performance of the covenants herein contained, the Union agrees to lend Union Store Cards and/or Decals to Employers entitled hereto under the rules governing Union Store Cards set forth in the Constitution of the United Food and Commercial Workers International Union. Employers who are entitled to Store Cards and/or Decals agree to accept and display them in a public space in their stores. It is understood that such Union Store Cards and/or Decals are issued by and remain the property of the United Food and Commercial Workers International Union, and the Employer agrees to surrender said Union Store Cards and/or Decals at the Union's request upon his failure to observe the terms of this Agreement or the conditions under which said Store Cards and/or Decals are issued.

Section 3. EMPLOYMENT AND UNION MEMBERSHIP

3.1 UNION SHOP: On and after thirty (30) days of employment, or the date of execution of this Agreement, whichever is later, each employee shall become and remain a member of the Union as a condition of employment; provided, however, that the Employer shall not be obligated to discharge any employee in violation of the National Labor Relations Act,

as amended. Upon written notification from the Union that an employee has failed to make timely tender to the Union of initiation fees and/or periodic dues, the Employer agrees to terminate said employee within seven (7) days from such notice.

3.2 UNEMPLOYED LIST: The Union agrees to keep an up-to-date list of known unemployed clerks with an accurate record of their experience or training, and the Employer agrees to notify the Union of vacancies in positions or job openings within the classifications covered by this Agreement in order that the unemployed clerks on the aforementioned list may be provided with a full opportunity to fill such vacancy. In filling vacancies, the Employer shall give preference to applicants with previous employment experience in the industry in the area covered by this Agreement.

3.3 REGISTRATIONS: The Union agrees to accept registrations for employment upon each list so maintained, and to dispatch applicants for employment from said list for vacancies or job openings with the Employer in accordance with the specification and this Agreement.

3.4 JOB REFERRAL AND NON-DISCRIMINATION:

3.4.1 The Union shall be allowed two (2) days, on which its office is open, to refer applicants. Selection by the Union of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by, union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect or obligation of union membership.

The Employer shall retain the right to reject any job applicant referred by the Union, provided such rejection is not a violation of this Agreement. The Union agrees that the Employer may employ persons from other sources when applicants satisfactory to the Employer are not available from the lists maintained by the Union.

3.4.2 The Employer shall not discriminate against any person in regard to hire, tenure of employment or job status because of race, creed, religion, color or national origin, nor shall age, physical handicap unrelated to the job duties, veteran status or sex, under any circumstances, be a basis for rejection or termination of an otherwise qualified employee and applicant for employment.

SEMANTICS: When used, the term "He" and "Journeyman" refer to human beings of either sex and are used only for grammatical simplicity.

3.4.3 Disputes or disagreements arising out of this Section shall be referred to the Adjustment Board and the Arbitration process as provided for in this Agreement.

3.5 OTHER HIRING: Whenever new employees are hired for jobs covered by this Agreement, from sources other than the list maintained by the Union, or when employees are transferred to jobs covered by this Agreement from outside the jurisdiction of this Union, the Employer shall:

- (1) Promptly notify the Union of such employment in writing, giving the date, place and job classification of the employment and the name and address of the new employee; and

- (2) Promptly advise the new employee of the terms and provisions of this Agreement and of his obligations hereunder; and

(3) Direct the new employee to report to the Union within seven (7) days from the time of employment to be advised of the terms and provisions of this Agreement and of his obligations hereunder, and to complete necessary applications, forms and papers for qualification under the Health and Welfare and Pension Plans provided by this Agreement.

(4) **EMPLOYMENT:** If the Employer obtains a new employee through a private employment agency or a private training school, he shall pay the employment agency fee or any training fee paid by or required of the employee.

3.6 NEW EMPLOYEES: The provisions of this Agreement shall apply to the employment of any person covered by this Agreement while such person is not a member of the Union.

3.7 EXTRA WORK: Employees on the payroll of the Employer will be given preference for additional straight-time work before any other person who has worked during the same week on another job outside the retail industry is hired for such work.

Section 4. DISCHARGES AND LAYOFFS

4.1 The Employer shall not discharge or discriminate against an employee for upholding Union principles, for serving on a committee of the Union or any organization affiliated therewith, or for refusing to purchase stocks, bonds, securities, or any interest in the Employer's business should the Employer be operating as an individual, firm, company, partnership, joint stock company or corporation.

4.2 PROBATION: There shall be a probationary period of sixty (60) calendar days for all employees. During the probationary period, a probationer may be discharged without right of appeal except if such discharge is in violation of Section 3.4 or Section 4.1 of this Agreement.

4.3 TERMINATION: Except for reasons beyond the Employer's control, regular employees who work three (3) days per week or more shall be given three (3) working days' notice of layoff, dismissal or discharge, or the equivalent pay, except when such termination has been for cause, such as insubordination, disorderly or improper conduct, under circumstances requiring immediate termination. Employees who work two (2) days per week shall be given two (2) working days' notice under like conditions. In all such cases, the day on which such notice is given shall not be counted unless a notice is given before the day's work begins. (A regular employee is one who has been in the continuous employ of the Employer for a period of ninety (90) days or longer.)

4.4 WORK PERFORMANCE: The Employer shall have the right to discharge any employee for just cause. If the employee feels that he has been unjustly discharged, he shall have the right of appeal in writing to the Adjustment Board, through action of the Union, within ten (10) business days after the date of said discharge.

4.4.1 Before a regular employee is discharged, suspended, or demoted for incompetency or failure to perform work as required, he shall receive a written warning (with a copy to the Union) and be given an opportunity to improve his work.

Notices and warnings shall become null and void after six (6) months from the date of issue.

4.4.2 Upon severance of employment of any employee, the Employer shall within seven (7) calendar days thereafter notify the Union of such resignation, layoff or discharge. If discharge is for cause, the Employer agrees to submit the reasons therefor to the Union upon request.

4.5 RECORD: Any employee who is terminated shall, upon request, be given a statement setting forth the date of hiring and the number of hours worked during his employment.

4.6 POLYGRAPHS: No Employer shall demand or require any applicant for employment or prospective employment or any employee to submit to or take a polygraph, lie detector or similar test or examination as a condition of employment or continued employment.

4.7 TRANSFERS: Transfer of employees to other cities outside of the Counties in which they are employed shall not be compulsory nor shall any employee be penalized for failure to accept such transfer.

Requests for transfers, within the Union's territorial jurisdiction, so an employee may work nearer his home will be given proper consideration and will not be refused arbitrarily. Similarly, an employee will not be arbitrarily or capriciously transferred.

No employee shall be required to accept a permanent transfer outside the jurisdiction of this Local Union unless approved by the Union.

Section 5. SENIORITY

5.1 DEFINITION: Seniority shall mean continuous service with the Employer and no employee shall suffer loss of seniority by reason of approved leave as provided for in this Agreement.

5.2 CLASSIFICATION: Seniority shall be by classification listed as follows and in Section 1.3.10 and Section 9 of this Agreement:

- (1) Managing Clerks
- (2) Senior Head Clerks and Senior Produce Clerks
- (3) Head Clerks
- (4) Journeymen and Apprentice Clerks
- (5) Utility Clerks, Non-Food and General Merchandise Clerks
- (6) Courtesy Clerks — subject to the restrictions of Section 9.6.4 hereof. Seniority of Courtesy Clerks shall be on a store-by-store basis, except that Courtesy Clerks transferred to another location will carry Courtesy Clerk seniority with them to the new location.

In the event that an Apprentice Clerk who had previously served as a Courtesy Clerk is going to be laid off before the completion of the first 520 hours of the Apprentice progression then in that event the Apprentice Clerk may step back temporarily into the Courtesy Clerk classification at the store in which they are currently working until recalled.

- (7) Employees employed in classifications covered by addendum agreements shall be deemed separate classifications.

5.3 LAYOFFS, RECALL AND PROMOTIONS:

5.3.1 With respect to layoff, recall and promotion, seniority shall be based upon the length of service with the Employer in each of the areas covered by this Agreement as referred to below in 5.3.2; provided, where an employee is transferred by the Employer to such area from another area, the transferred employee shall retain all seniority rights with the Employer but shall not be entitled to exercise such rights with respect to layoff, recall or promotion until the expiration of six (6) months after the date of transfer, at which time his seniority shall be based upon the first day of employment by the Employer regardless of area. However, during such period of six (6) months, the transferred employee shall accrue seniority rights in the new area from the date of transfer and shall retain all seniority rights with respect to layoff, recall and promotion in the area from which he was transferred; provided, however, that for the affected employees in the Lake Tahoe Basin and Truckee area, the six (6) month period hereinabove provided shall be extended to eight (8) months.

5.3.2 The individual geographical areas referred to in 5.3.1 are as follows:

- (1) Sacramento County.
- (2) Yolo County.

Existing employees with a Company having only one (1) store in Yolo County shall remain with the Sacramento County geographical seniority area until a second store is added to the Yolo County geographical seniority area. In the event a Company closes a store in Yolo County, the existing employees on the job as of March 8, 1983, will be able to assert their seniority in Sacramento County.

- (3) West portion of Placer County, including but not limited to the towns of Auburn, Colfax, Rocklin and Roseville.

Existing employees with a Company having only one (1) store in the West portion of Placer County shall remain with the Sacramento County geographical seniority area until a second store is added to the West portion of Placer County geographical seniority area.

In the event a Company closes a store in the West portion of Placer County, the existing employees on the job as of March 8, 1983, will be able to assert their seniority in Sacramento County.

- (4) Amador County.

Existing employees with a Company having only one (1) store in Amador County shall remain with the West portion of El Dorado County geographical seniority area until a second store is added to the Amador County geographical seniority area.

In the event a Company closes a store in Amador County, the existing employees on the job as of March 8, 1983, will be able to assert their seniority in the West portion of El Dorado County.

- (5) West portion of El Dorado County, including but not limited to the towns of Placerville, Pollock Pines, Cameron Park and El Dorado Hills.
- (6) Eastern portion of Placer County, Eastern portion of Nevada County, Southwestern portion of Washoe County, Nevada, includ-

ing but not limited to the towns of Truckee, Tahoe City, Kings Beach, and Incline Village, Nevada.

- (7) Eastern portion of El Dorado County and Northwestern portion of Douglas County, Nevada, including but not limited to the towns of South Lake Tahoe and Zephyr Cove, Nevada.
- (8) Stanislaus County.
- (9) Calaveras County.

Existing employees with a Company having only one (1) store in Calaveras County shall remain with the Tuolumne County geographical seniority area until a second store is added to the Calaveras County geographical seniority area.

In the event a Company closes a store in Calaveras County, the existing employees on the job as of March 8, 1983, will be able to assert their seniority in Tuolumne County.

- (10) Tuolumne County.
- (11) North San Joaquin County, including but not limited to the towns of Lodi and Stockton.
- (12) South San Joaquin County, including but not limited to the towns of Manteca and Tracy. Existing employees with a Company having only one (1) store in South San Joaquin County shall remain with the North San Joaquin County geographical seniority area until a second store is added to the South San Joaquin County geographical seniority area.

In the event a Company closes a store in South San Joaquin County, the existing employees on the job as of March 8, 1983, will be able to assert their seniority in North San Joaquin County.

Any Company preferring to maintain any existing geographical seniority area(s) may have a Letter of Understanding to maintain the old areas.

Existing employees who have asserted their seniority in the past and transferred to another store in the old geographical seniority area(s) because of reduction in hours or layoff will be afforded a one (1) time opportunity to transfer back to the new geographical seniority area from which their previously-assigned store or home store was located. The Companies will have six (6) months to effect the above transfers.

5.3.3 PROMOTION: Determination of which employee is to be promoted will be based upon seniority provided the employee with the highest seniority has the qualifications necessary for the job. Qualifications shall include such factors as experience, job performance, aptitude, attendance, etc. Where merit and ability are approximately equal, seniority shall control. No trial period shall be required. Where an employee who has been promoted is unable to perform the duties of the higher classification or is being laid off from a classification above Journeyman Food Clerk, he shall have the right to be demoted to his former or equivalent position without loss of seniority, and his right to such employment shall not be jeopardized by reason of such demotion.

The Employer agrees to provide the Union with a list of employees, bimonthly, who have been promoted to positions above Journeyman Clerk.

5.3.4 LAYOFF: In the reduction of the number of employees due to lack of work, the last employee hired in the classification shall be the first to be laid off and, in recall, the last employee laid off in the classification shall be the first recalled until the list of employees previously laid off has been exhausted. For purposes of this Section, a layoff is defined as being reduced to zero (0) hours.

5.3.5 RECALL: Employees who are laid off due to lack of work shall have seniority rights in recall for jobs subsequently available with the Employer prior to the hiring of new employees. Such employee shall concurrently be notified by telegram or certified mail, a copy of which shall be sent to the Union, and shall have three (3) days to report after receipt of a copy of such notice of recall by the Union.

5.3.6 REDUCTION IN HOURS: Reduction in employees' hours due to lack of work shall be accomplished by seniority and by classification on a store-by-store basis in the following manner:

- (1) Notwithstanding the above, before a full-time employee may be reduced in hours on a store-by-store basis, the Employer shall first reduce the hours of part-time employees in the store affected by the lack of work in the order of their seniority. Hours shall be afforded to part-time employees in the store affected by the lack of work in the order of their seniority by classification on a store-by-store basis. It is recognized that management has the right to establish such weekly work schedules to meet the requirements of the business.
- (2) To the extent further reductions of work hours are required in the affected store, the Employer shall reduce the hours of full-time employees by seniority and by classification. Any full-time employee whose working hours are reduced for more than three (3) weeks (not necessarily consecutive) in a nine (9) month period, commencing with the first week of reduced hours, shall have a one-time option during any said nine (9) month period to request in writing, during the fourth (4th) week of reduced hours, to remain in the affected store at the reduced working hours or displace the least senior full-time employee in the same classification in the appropriate geographical seniority area. If the full-time employee chooses to replace the least senior full-time employee, his new store becomes his assigned store. Said employee shall be entitled to exercise the option right in his newly-assigned store in accordance with the procedure set forth herein.

The displaced full-time employee shall have the right to exercise seniority to displace the least senior employee in the same classification in the geographical seniority area or to remain in his assigned store at the reduced hours in accordance with his seniority. If said employee displaces the least senior employee in the geographical seniority area, he shall be afforded hours in his assigned store by seniority by classification.

- (3) A full-time employee who has been involuntarily reduced to part-time and who chooses to remain in the affected store shall be placed at the top of the bid list referred to in Section 5.10.1 with respect to the affected store and shall have preference over those employees who have requested additional available hours pursuant to Section 5.10.2.

- (4) The aforementioned provisions shall not affect the right of the Employer to transfer employees or the right of employees to request transfers pursuant to the provisions of Section 4.7 hereof.

5.3.7 It is further understood that the employee will not be able to claim wages under the provisions of Section 5.3.4 hereof except for hours lost commencing with the weekly schedule immediately following the Union's notification to the Employer of the claim and thereafter until resolved.

If the employee or the Union gives written notice to the Employer within seven (7) days of his notice of layoff, the above provisions do not apply.

5.3.8 A regular full-time employee is:

- (1) One who is hired or designated by the Employer to a regular forty (40) hour job opening, excluding relief for vacations, illnesses, other authorized absences, or business fluctuations.
- (2) An employee who becomes full-time from the bid list.

5.3.9 It is recognized that employees must possess the necessary qualifications to perform the available work when asserting their seniority rights into or out of the Employer's produce department or for work assignments requiring specialized skills and background.

5.4 LOSS OF SENIORITY: No employee shall suffer loss of seniority unless he:

- (1) Is discharged for just cause;
- (2) Resigns or voluntarily quits;
- (3) Is absent from work for six (6) consecutive months due to layoff; provided, however, that for employees in the Lake Tahoe Basin and Truckee area the six (6) month period hereinabove provided shall be extended to eight (8) months;
- (4) Is absent from work for more than thirty (30) days due to death in the immediate family;
- (5) Fails to return to work upon completion of a leave of absence as defined in Section 12;
- (6) Fails to report for work when recalled as provided in Section 5.3.5 of this Agreement.

5.5 SELECTION: The selection of vacations and shifts shall be on a store-by-store basis except:

5.5.1 The vacation of an employee shall not be changed if it was scheduled prior to his transfer from one store to another;

5.5.2 If an employee does not have a scheduled vacation at the time of such transfer, the scheduling of his vacation shall be based solely upon his seniority status in the store to which he is transferred.

5.6 RELIEF WORK: Employees assigned to regular relief work may, after six (6) months on such work, request the Employer, in writing, to be assigned to work in one store. The rescheduling of such relief work shall be done within thirty (30) days and be based upon inverse seniority. This provision shall not apply to temporary relief work required as a result of illness, injury, vacation or other like temporary relief work.

5.7 LISTS: Upon request by the Union, the Employer agrees to provide a seniority list of his employees semi-annually.

5.8 TEMPORARY ASSIGNMENTS: The Union will cooperate with the Employer in the scheduling of employees for temporary part-time or relief work outside the geographical jurisdiction of this Agreement. However, no employee shall be discriminated against for refusal to accept such assignment.

5.9 SHIFT SELECTION: The word "shifts" is interpreted to mean the weekly work schedule including work on premium days, early and late work schedules.

5.9.1 It is recognized that management has the right to establish such weekly work schedules to meet the requirements of the business; provided, however, such right shall not be utilized in an arbitrary or capricious manner to deprive an employee of his ability to exercise his seniority right to select such work schedule.

5.9.2 Employees may select such schedules according to seniority by classification, applied on a "store-by-store" basis, provided they possess the necessary qualifications for the schedules selected. Qualifications shall include such factors as experience, job performance, aptitude, attendance, etc.

5.9.3 It is understood part-time employees may not bid for the schedule of other employees.

5.9.4 The Employer shall not recognize the shift selection request of any employee if the granting of the request would place the Employer in a position of violating the contract or having to pay a penalty for improper scheduling of shift intervals or consecutive work days.

5.10 PART-TIME EMPLOYEES:

5.10.1 REQUEST FOR FULL-TIME WORK: Part-time Journeyman Clerks may bid for full-time forty (40) hour job openings or part-time job openings with more hours, excluding relief for vacations, illnesses, or other authorized absences within the employee's assigned store, based upon said employee's seniority, provided that he makes his desire for such work known, in writing, concurrently to the Union and to the Store Manager. Written requests must be made every six (6) months. Written requests may not be submitted outside the specified period. The time periods for requests shall be the first two (2) full working weeks in February and August. Lists are effective the first shift of the month following the request.

The Store Manager shall immediately, upon receipt of said request, forward same to the offices designated by the Employer. The Employer shall thereupon place the name of the employee on a list maintained by the Company for such purpose. The names of the employees shall be placed upon the list according to seniority. A copy of said list shall be forwarded at the end of each request period to the Union.

Provided the Journeyman Clerk possesses the necessary qualifications and has complied with the requirement above, he shall be offered any job opening, except as restricted by the above, which might occur within the employee's assigned store before any employee is hired into said store.

5.10.2 REQUEST FOR ADDITIONAL HOURS: Part-time employees may request additional available hours within their classification on a store-by-store basis, provided they have the previously-mentioned qualifications, are available for the hours, and have notified their Store Manager, in writing, of their desire for more hours, and they shall be afforded such hours by seniority.

5.10.3 REMOVAL FROM LIST: Employees refusing an offer of full-time work, requesting part-time work after having been selected for full-time work, indicating their unavailability for continued full-time work or refusing a job opening with more hours shall not be entitled to exercise rights set forth above until the next request period.

5.10.4 WAGE CLAIMS: It is understood that employees will not be able to claim wages under this interpretation except for hours lost commencing with the weekly schedule immediately following the Union's written notification to the Employer of the claim and thereafter until resolved. If the employee or the Union gives written notice to the Employer within seven (7) days of his layoff, the above provisions do not apply.

5.10.5 WEEKLY GUARANTEE: Each part-time employee shall be scheduled for at least sixteen (16) hours work in each week.

The aforementioned weekly guarantee shall not apply if one or more of the following conditions exist:

- (1) The store is normally open for business six (6) days or less in the work week;
- (2) A week in which one of the holidays named in this Agreement falls;
- (3) Employees scheduled to work are absent without proper notice;
- (4) Work is not available due to acts of God;
- (5) The part-time employee, the Employer and the Union agree that the employee may work less than sixteen (16) hours per week;
- (6) An unanticipated, significant business fluctuation;
- (7) During the week an employee is recalled from layoff or returns from leave of absence.

Section 6. HOURS, OVERTIME AND SUNDAY PREMIUM PAY

PREAMBLE: In the event of the application of Federal Wage and Hour Law as applied to retailing conflicts with the intent of this Agreement, the Parties shall meet immediately to re-negotiate this Agreement in order to preserve the intended work week and the rates pertaining thereto.

The industry recognizes the five (5) day, forty (40) hour week provisions except for layoffs and individual cut-backs due to lack of work, acts of God or circumstances beyond the control of the Employer. This Section, however, does not impede the right of the Employer to use part-time help as needed.

6.1 BASIC WORK DAY AND WEEK: Forty (40) hours, consisting of five (5) days of eight (8) hours each in a calendar week, Sunday through Saturday, shall constitute a week's work as provided in this entire Section.

In stores operating seven (7) days per week, employees shall receive two (2) successive days off within each calendar week. All part-time employees hired after January 1, 1980, shall be exempt from this provision. (Two (2) successive days off within each calendar week shall not apply to members working for stores located in San Joaquin County.) In stores operating not more than six (6) days per week, all employees shall receive two (2) days off within each calendar week, and the Employer agrees to make every effort to give the employees successive days off, but reserves the right to designate one other day off for each employee in addition to the day when the store is closed. A day's work shall consist of eight (8) hours within nine (9) consecutive hours with one (1) full uninterrupted hour off for a meal. A one-half (½) hour lunch period for a crew or shift of employees may be implemented by mutual agreement of the Employer and the employees involved with notice to the Union. Under special circumstances, a one-half (½) hour lunch period may be arranged by mutual agreement of the Employer and the employee involved. However, a one-half (½) hour lunch period on a regular basis of an individual employee requires the concurrence of the Union. No employee shall be required or permitted to work a split shift.

Work shall not be performed without pay prior to the beginning of the scheduled working day. Work may be performed at the end of the working day in completing service to a customer which commenced prior to the end of the working day. It is understood that the checking of produce or shelf prices shall be considered as time worked.

6.2 OVERTIME AND PREMIUM WAGE RATES: The overtime and premium wage rates of pay shall be as follows:

6.2.1 TIME AND ONE-HALF (1½) THE STRAIGHT-TIME HOURLY RATE:

- (1) Work in excess of eight (8) hours per day.
- (2) Work in excess of forty (40) hours per week.
- (3) Work on the sixth (6th) day worked in a calendar week.
- (4) Work on the fifth (5th) and sixth (6th) day worked in a week containing one of the holidays named in this Agreement, not including the holiday worked.
- (5) Work performed after the fifth (5th) consecutive day worked without reference to the calendar week by a normal five-day employee until consecutive days are broken by a day off, except when the schedule of an employee who has had or who is to have two (2) consecutive days off is changed in accordance with this Agreement.
- (6) Work performed after the sixth (6th) consecutive day worked without reference to the calendar week by a normal six-day employee until consecutive days are broken by a day off, except when the schedule is being changed in accordance with this Agreement.
- (7) Work performed by a full-time employee called in to work on a scheduled day off and given shorter notice than required by the Agreement shall receive a minimum of eight (8) hours' pay on that day; but if such an employee works six (6) days during that calendar week, work performed on the scheduled day off shall be paid for at

the employee's straight-time rate for that day, and that on the sixth (6th) day worked shall be paid for at the overtime rate.

- (8) Work performed within ten (10) hours from the time the last shift ended.
- (9) Work performed where a meal period is not afforded in conformity with Section 7.5.
- (10) Effective upon ratification, April 11, 1986, the Sunday premium shall be paid for at the rate of one and one-half (1½) times the straight-time hourly rate (less 38¢) per hour (excluding San Joaquin County).

6.2.2 DOUBLE-TIME (2) THE STRAIGHT-TIME HOURLY RATE:

- (1) Work in excess of eight (8) hours on the sixth (6th) day worked in a calendar week.
- (2) Work performed on Sunday which is a day in excess of five (5) consecutive days by a scheduled five-day employee, except when the schedule of said employee who has had or is to have two (2) consecutive days off is changed in accordance with this Agreement.
- (3) Work performed on the seventh (7th) day in a calendar week.
- (4) Work performed on a holiday named in this Agreement (in addition to holiday pay).

6.2.3 DOUBLE-TIME AND ONE-FOURTH (2¼) THE STRAIGHT-TIME HOURLY RATE:

- (1) Work in excess of eight (8) hours on a Sunday.

6.2.4 DOUBLE-TIME AND ONE-HALF (2½) THE STRAIGHT-TIME HOURLY RATE:

- (1) Work performed by an employee on Sunday when Sunday was a scheduled day off and the employee was given shorter notice than that required by the Agreement shall receive a minimum of eight (8) hours' pay for that day; but if such an employee works six (6) days during that calendar week, work performed on that Sunday shall be paid at the rate of time and one-half the straight-time hourly rate, and that on the sixth (6th) day worked shall be paid for at the applicable overtime rate.
- (2) Work performed on Sunday which is in excess of six (6) consecutive days by a six-day employee.

6.2.5 TRIPLE-TIME (3) THE STRAIGHT-TIME HOURLY RATE:

- (1) Work in excess of eight (8) hours on a holiday named in this Agreement.

6.3 CONSECUTIVE DAYS: It is understood that consecutive days worked are interrupted by a holiday or a scheduled day off and shall be considered to be interrupted when an employee is required to work on a holiday or when, by reason of a bona fide emergency, an employee is required to work on his scheduled day off for which he has received the required premium pay for such work.

6.4 SCHEDULED WORK: Whenever an employee's schedule is not changed in accordance with the provisions of this Agreement and he is

worked outside such schedule, then the hours so worked shall be paid for in accordance with the overtime provisions of this Agreement.

6.5 HOLIDAY WORK WEEK: Thirty-two (32) hours, consisting of four (4) eight (8) hour days, exclusive of the holiday, shall constitute a week's work in any week in which the holiday falls. Any employee working thirty-two (32) straight-time hours in a holiday week, not including holiday work, shall receive not less than forty (40) hours' pay. At least two (2) of a full-time employee's days off shall be successive in stores operating six (6) or more days in a holiday week, unless an employee has Saturday and Sunday off prior to the holiday or Saturday and Sunday off following the holiday. (The provision of two (2) successive days off shall also apply for members working for stores located in San Joaquin County.) Holiday pay for part-timers shall in all instances be prorated in accordance with Section 10.1.6.

6.6 DAILY GUARANTEE:

6.6.1 All employees who work forty (40) hours in a calendar week, when ordered to and do report for work and remain available for work, shall receive a full day's pay based on the established rate of pay for that day.

6.6.2 All employees who work less than forty (40) hours in a calendar week, when ordered to and do report for work and remain available for work, shall receive at least four (4) hours' pay based on the established rate of pay for that day. Where school law conflicts with the four (4) hour daily guarantee on a school day, such employee shall be scheduled for not less than three (3) hours on such days. It is further agreed that students shall not replace non-student employees. All part-time employees shall be covered by all other provisions of this Agreement.

Section 7. WORK SCHEDULE

7.1 POSTING OF WORK SCHEDULE:

7.1.1 The Employer agrees to keep posted in each store a weekly schedule in ink of the working hours of all employees. Such schedule shall show the full name of each employee, the classification, starting time, meal time, quitting time and days off. It is further agreed that any change in this schedule must be made and the employee so notified no later than 12:00 o'clock noon Friday of the week preceding the week in which the change is to become effective (emergency excepted). Such schedule shall be posted by noon on Friday of the week preceding the week in which such schedules are to be effective on the bulletin board or at a place where all employees and representatives of the Union may observe same. If assignment of employees to schedules is inconsistent with the terms of Section 5.9, employees will have until 3:00 p.m. on Friday (or 3 hours after the schedule is posted) to bring such inconsistency to the Store Manager's attention and seek assignment in accordance with Section 5.9. When a senior employee obtains such a different schedule, then the displaced junior employee shall be assigned the senior employee's previously assigned schedule for the following week.

If the schedule is not posted timely due to circumstances beyond the control of the person responsible for posting it, the untimely posting shall not be the basis of any monetary claims.

7.1.2 Time worked by employees on the last shift during the period the store is open for business, for the purpose of serving customers in the store at the closing hour or performing other miscellaneous duties necessary in connection with the closing of the store, shall be properly scheduled in their straight-time shift.

7.2 SHIFT INTERVAL: Except in bona fide emergencies, the minimum time off between shifts shall be ten (10) hours and employees called to work sooner than ten (10) hours from the end of their last work period shall be paid time and one-half (1½) the employee's straight-time rate for all work performed up to the time said ten (10) hour period between shifts shall have elapsed.

7.3 SCHEDULED TO WORK A HOLIDAY: Any employee normally scheduled to work five (5) days who is temporarily re-scheduled to work on a holiday shall be permitted to work his normal number of working days that week.

7.4 HOLIDAY EVE: No employee shall be permitted or required to work after 7:00 p.m. on Christmas Eve and New Year's Eve except those employees necessary to service the customers in the store at 7:00 p.m. and to properly close and secure the store. This shall not apply to employees in the Liquor Department where the Liquor Department may be isolated from the Grocery Department.

7.5 MEAL PERIOD: Each employee shall be released from work for his meal period within five (5) hours, but no sooner than three (3) hours of the time of his reporting for work. Any employee who is given a meal period prior to three (3) hours into his shift or works in excess of five (5) hours without a meal period shall receive time and one-half (1½) for hours worked between the meal period and the completion of the third (3rd) hour or time and one-half (1½) for hours worked in excess of five (5) hours until a meal period is given.

7.6 BREAK: No employee shall be denied the right to necessary or required relief. All employees shall be allowed an unscheduled ten (10) minute break in the first half of their shift prior to the meal period, and an unscheduled ten (10) minute break in the last half of their scheduled shift prior to quitting time.

7.7 EMPLOYEES ON LAST SHIFT: Employees on duty at the recognized hour of closing may be required to wait on all customers and perform other duties necessary to closing. Such employees shall be scheduled so that their shift ends at least fifteen (15) minutes after the recognized hour of closing.

7.8 NIGHT PREMIUM: All employees shall receive extra compensation, in addition to the regular scale herein set forth, of fifty cents (50¢) per hour for all work performed between the hours of 7:00 p.m. and 7:00 a.m. Courtesy Clerks shall receive fifty cents (50¢) per hour for work performed after 9:00 p.m.

7.9 PREMIUM DAY: Employees working any hours on a Sunday or a holiday shall be paid the premium pay as provided for in this Agreement for the hours worked between 12:01 a.m. and 12:00 Midnight on that day.

7.10 SEPARATE EMPLOYERS: Any employee who works for another Employer in the retail food or liquor industry on his day or days off shall be paid therefor at straight-time, overtime, or premium rates calculated as though he had worked that week for a single Employer. It is

understood that if the employee is properly shown on the schedule, the overtime rates shall not be in effect until after the Union notifies the Employer that the employee in question is an employee of another Employer in the industry.

Section 8. WAGE RATES

8.1 Notwithstanding any schedule of minimum wages, employees now receiving a higher wage than indicated in said schedule for the particular classification of work performed shall not have their wages reduced due to the signing and effect of this Agreement.

The schedule of minimum wages shall be maintained by the parties hereto during the period of this Agreement, and the Employer shall and hereby agrees to pay wages in compliance therewith.

8.2 The following minimum scale of wages shall be paid in Zone A:

CLASSIFICATION	Hourly	Weekly	O.T.—1½	Sunday	S. Joaquin County Sunday
Managing Clerks	\$14.468	\$578.72	\$21.702	\$21.322	\$21.702
Sr. Head Clerks & Sr. Produce Clerks..	13.927	557.08	20.8905	20.5105	20.8905
Head Clerks.....	13.813	552.52	20.7195	20.3395	20.7195
Journeyman Clerks (2080 Hrs.) ...	13.484	539.36	20.226	19.846	20.226
Apprentice Clerks:					
4th 3 Mos. (1560 Hrs.)	11.461	458.44	17.1915	16.869	17.1915
3rd 3 Mos. (1040 Hrs.)	10.113	404.52	15.1695	14.8845	15.1695
2nd 3 Mos. (520 Hrs.)	8.765	350.60	13.1475	12.90	13.1475
1st 3 Mos.	7.416	296.64	11.124	10.915	11.124
Courtesy Clerks:					
Hired Prior to 3/8/83	6.355	254.20	9.5325	9.1525	9.5325
Hired on or After 3/8/83.....	5.00	200.00	7.50	7.12	7.50

(The above Apprentice Clerks Rates of pay are calculated at 55-65-75-85% of the Journeyman Clerk rate of pay.)

PREMIUM EMPLOYEES: Premium wage employees shall receive the same hourly differential which they received over and above the previous contract rate.

Wage rates in effect as of March 23, 1986, shall continue in effect for the duration of this Agreement, except as noted below:

Each employee on the payroll on March 23, 1986, excluding Apprentice Food Clerks* and inexperienced General Merchandise Clerks*, but including Journeyman Food Clerks and experienced General Merchandise Clerks, hired subsequent to ratification, April 11, 1986, shall be eligible for a bonus determined on the following basis:

Bonus payments shall be made on or before the fourth week following the conclusion of the bonus measuring period. It is understood the bonus payment shall be net of all legal deductions.

The bonus measuring periods shall be as follows:

Commencing the Sunday nearest:

March 1, 1986, through August 30, 1986

September 1, 1986, through February 28, 1987

March 1, 1987, through August 30, 1987

September 1, 1987, through February 28, 1988
March 1, 1988, through August 30, 1988

The amount of the bonus for the period March 1, 1986, through August 30, 1986, shall be determined by multiplying the base measuring period hours of the eligible classifications by twenty-five cents (25¢). The amount of the bonus for the periods of September 1, 1986, through February 28, 1987; March 1, 1987, through August 30, 1987; September 1, 1987, through February 28, 1988; and March 1, 1988, through August 30, 1988, shall be determined by multiplying the base period measuring hours for a Journeyman Food Clerk by forty-two cents (42¢); for experienced General Merchandise Clerks hired before May 3, 1983, by twenty-eight cents (28¢); for experienced General Merchandise Clerks hired after May 3, 1983, by twenty-four cents (24¢); for Head Clerks by forty-three cents (43¢); for Senior Head Clerks by forty-four cents (44¢); for Managing Clerks by forty-five cents (45¢); for Courtesy Clerks hired prior to March 8, 1983, by twenty cents (20¢); and for Courtesy Clerks hired after March 8, 1983, fifteen cents (15¢).

Measured hours shall be defined as all hours worked or paid for, excluding sick leave, up to a maximum of forty (40) hours per week during each measuring period.

In order to be eligible to receive a bonus payment, the employee must be on the Employer's seniority list on the date bonus payments are due in addition to having hours in the measuring period.

In no event shall any lump sum payment exceed the maximum amount calculable by application of the formula above nor shall the lump sum payment become part of the basic wage rates. It is further understood that no benefit contribution (health and welfare, pension, etc.) or overtime pyramiding or premium pay shall be payable or owing as a result of the accumulation or payment of this bonus amount.

Effective February 28, 1989, employees working in the classifications eligible for the bonus payments set forth above shall receive the following straight-time hourly wage increases:

Managing Clerk	\$.35 per hour
Senior Head Clerk	\$.35 per hour
Head Clerk	\$.35 per hour
Journeyman Clerk	\$.30 per hour
General Merchandise Clerk (hired before 3/8/83)	\$.25 per hour
General Merchandise Clerk (hired after 3/8/83)	\$.20 per hour
Courtesy Clerk (hired before 3/23/86)	\$.15 per hour

*At such time as an Apprentice becomes a Journeyman Food Clerk and General Merchandise Clerks reach the experienced rate, said employees shall become eligible to accumulate hours for a bonus as of that date.

8.3 Wage rates for Journeyman Food Clerks, Apprentice Clerks, General Merchandise Clerks, and Courtesy Clerks hired on or after March 23, 1986, Zone B areas: (STOCKTON AND SOUTH)

8.3.1 General Merchandise Clerks (hired or promoted on or after March 23, 1986):

1st Step (1st 1040 Hrs.)	.....\$5.00 per hour
2nd Step (2nd 1040 Hrs.)	.....\$5.25 per hour
3rd Step (3rd 1040 Hrs.)	.....\$5.50 per hour
4th Step (4th 1040 Hrs.)	.....\$6.00 per hour
5th Step (5th 1040 Hrs.)	.....\$7.25 per hour
Experienced	.....\$7.70 per hour

8.3.2 Journeyman Food Clerks (hired or promoted on or after March 23, 1986):

1st Step (1st 1040 Hrs.)—(55%)	.....\$ 7.416 per hour
2nd Step (2nd 1040 Hrs.)—(65%)	.....\$ 8.765 per hour
3rd Step (3rd 1040 Hrs.)—(70%)	.....\$ 9.439 per hour
4th Step (4th 1040 Hrs.)—(75%)	.....\$10.113 per hour
5th Step (5th 1040 Hrs.)—(80%)	.....\$10.787 per hour
6th Step (6th 1040 Hrs.)—(90%)	.....\$12.136 per hour
Experienced	.....\$13.484 per hour

8.3.3 Courtesy Clerks (hired on or after March 23, 1986):

1st Step (1st 1040 Hrs.)	.....\$4.00 per hour
2nd Step (2nd 1040 Hrs.)	.....\$4.25 per hour
Thereafter	.....\$4.50 per hour

BONUS: All employees on the payroll on March 23, 1986, working in the above listed Non-Metro areas excluding Apprentices and inexperienced General Merchandise Clerks but including Journeyman Food Clerks and experienced General Merchandise Clerks hired subsequent to ratification, April 11, 1986, shall be eligible for a bonus to be paid prior to Christmas 1988. Said bonus will be paid only to eligible persons employed at the time of the payment and will be in the amount of three percent (3%) of employee earnings for the twelve-month period from July 1, 1987, to July 1, 1988.

Section 9. CLASSIFICATION OF EMPLOYEES

For the purpose of this Agreement, the classification of employees is hereby defined as follows:

9.1 MANAGING CLERK: Every store shall have a Managing Clerk unless the Employer, or a Supervisor within the meaning of the National Labor Relations Act, as amended, is actively engaged on the premises performing the work of the Managing Clerk. A Managing Clerk is an employee who has charge of and general supervision over not more than one (1) store.

In the event the Employer or Supervisor is absent from the store for one (1) or more eight (8) hour days in a week, a Clerk shall receive the wage scale of a Managing Clerk for said work.

9.2 SENIOR HEAD CLERK-SENIOR PRODUCE CLERK AND HEAD CLERK: These are non-supervisory employees who in addition to their duties of Clerk in the course and scope of their employment, perform one or more of the following duties:

9.2.1 SENIOR HEAD CLERK: This classification shall apply only to the Senior Head Clerk who acts as Assistant to the Managing Clerk or Owner and is commonly known as the "Second Man" in the store.

9.2.2 SENIOR PRODUCE CLERK: This classification shall apply to an employee who goes to the wholesale produce market to buy produce or who is in charge of the produce section or department. This classification shall apply in all cases where an employee was classified as Head Clerk in the Employer's produce departments or sections under the 1964-67 Collective Bargaining Agreement, but shall not be applicable to Produce Managers or buyers employed under said contracts who shall not be reclassified and who shall receive the same wage increases over their present rates of pay as all other employees.

(1) On the Senior Produce Clerk's day or days off, another regular employee shall be paid at the Senior Produce Clerk's rate for all hours worked in the absence of the Senior Produce Clerk, except that if the Senior Produce Clerk has Sunday as a day off, no other employee on duty on Sunday need be paid at the Senior Produce Clerk's rate unless he performs the Senior Produce Clerk's duties on said day.

(2) When the Senior Produce Clerk is absent for any period because of illness, vacation or other reasons, another regular employee shall be paid at the Senior Produce Clerk's rate for all such time worked during the said absence of the Senior Produce Clerk.

9.2.3 HEAD CLERK:

(1) Acts as produce buyer at the store or assists management in the operation of a produce section or department; provided that where there is an employee in the department classified as a Senior Produce Clerk, this provision shall not require the classification of any other employee in the department as a Head Clerk.

(2) Is engaged the major part of his time in the receiving department of the Employer's establishment and is in charge of and responsible for the receiving of merchandise.

In the interpretation of the preceding paragraph, it is agreed that any Clerk who is engaged for four (4) hours or more per day in the Employer's receiving department and is in charge of and responsible for the receiving of merchandise shall be classified and paid as a Head Clerk.

(3) Conducts the operation of the store in the temporary absence of the Supervisory Store Manager, the Managing Clerk, the Senior Head Clerk, or the Owner, or is responsible for the opening or closing of a store.

(4) Has the authority and responsibility of buying or selecting merchandise for a department, section or area, or directs other employees in the performance of their duties in such department, section or area.

(5) It is understood that the Employer may so arrange the employee's duties and work shifts in order that the number of Head Clerks may be minimized, and further that the mere occasional or incidental performance of any of the Head Clerk's duties shall not be construed as a basis for classifying any employee as Head Clerk. It is agreed, however, that in the absence of the Supervisory Store Manager, Managing Clerk, Senior Head Clerk, or the Owner, there shall be at least one (1) Head Clerk on the job at all times.

When a Clerk, who is not normally classified and paid as a Head Clerk

on a weekly basis, performs the duties of a Head Clerk on a day in which either the regular Head Clerk, Senior Head Clerk, Supervisory Manager, Managing Clerk or Owner is absent, he shall receive the Head Clerk's rate of pay for the day.

9.3 STEP-UP RULES: The following rules are applicable at stores where Managing Clerks, Senior Head Clerks, Senior Produce Clerks, and Head Clerks are employed.

MANAGING CLERKS, SENIOR HEAD CLERKS, AND HEAD CLERKS:

9.3.1 When the Managing Clerk is absent for one shift (8 within 9 hours) or more and the store is open beyond the hours during which the Senior Head Clerk (acting as Managing Clerk) is present, another regular employee on duty during such hours shall be paid at the Senior Head Clerk's rate for his entire shift, except that where there is a regularly employed Head Clerk (40 hours per week) in the store during such hours, he may continue to be paid at his regular Head Clerk's rate.

9.3.2 On the Senior Head Clerk's day or days off, another regular employee on duty during said days shall receive the Senior Head Clerk's rate for each such shift worked, except that where there is a regularly employed Head Clerk (40 hours per week) on duty in the store during said days, he may continue to be paid at his regular Head Clerk's rate.

9.3.3 On any day when the store is open beyond the regular shifts (8 within 9 hours) of both the Managing Clerk and the Senior Head Clerk, another regular employee on duty during such hours shall receive the Senior Head Clerk's rate for his entire shift, except that where there is a regularly employed Head Clerk (40 hours per week) in the store during such hours, he may continue to be paid at his regular Head Clerk's rate.

9.3.4 When the Senior Head Clerk is absent for any period because of illness, vacation or other reasons, another regular employee or a Head Clerk, as the case may be, shall be paid at the Senior Head Clerk's rate for all such time worked during the said absence of the Senior Head Clerk.

9.3.5 It is understood by the parties that "small stores" should be exempt from the application of these rules. It should be noted that we have been unsuccessful in an effort to define a "small store." However, through agreement with various Local Unions or otherwise, certain Employers in this category have not been following the step-up rules and they shall continue to be exempt. Certain other Employers in this category have been following step-up rules and they shall continue to adhere to the rules. In the event the Union protests failure to adhere to these rules by Companies who have not been following them, there should be a joint committee established to determine whether or not the Employer falls in the "small store" category. Likewise, for any Employer who has been following the rules, he may protest the application of those rules to his operation and this same joint committee shall endeavor to determine whether his operation falls in the "small store" category. In the event a Company who has not been following the rules is determined to be ineligible for the "small store" exemption, application of the rules shall be prospective only.

9.4 JOURNEYMAN FOOD CLERK: A Journeyman Food Clerk is an employee that has gained 2,080 hours' experience in the retail food industry.

PREVIOUS EXPERIENCE: If a Journeyman employee has been out of the industry between five (5) and ten (10) years, he will be allowed to start at the 3rd Apprentice Food Clerk rate of pay. If a Journeyman employee has been out of the industry ten (10) or more years, he will be allowed to start at the 2nd Apprentice Food Clerk rate of pay.

If a person has been out of the industry for five (5) years or more, who has not reached Journeyman status, he will be allowed to start at the 1st Apprentice Food Clerk rate of pay.

NEW EMPLOYEES: An employee who fails to accurately list, on an employment application, his approximate number of prior hours of experience in the retail food industry and, as a result, is improperly classified by the Employer, shall not be entitled to a retroactive wage adjustment if it is subsequently determined that a classification adjustment is warranted.

It is agreed the Union shall negotiate with the Employer an appropriate rate, during the probationary period, for employees who have gained food store experience outside the jurisdiction of the Northern California Retail Clerks Unions. The appropriate Apprentice or Journeyman rate shall be determined by the parties according to the employee's comparable previous experience.

Notwithstanding the above, no such retroactive wage claim shall exceed ninety-one (91) days.

9.5 APPRENTICE FOOD CLERK: An Apprentice Food Clerk is an employee who has less than 2,080 hours' experience in the retail food industry, under any of the above classifications, irrespective of where such experience may have been had. An Apprentice Food Clerk may perform the duties of any classification except Managing Clerk or Head Clerk.

9.5.1 APPRENTICE RATIO: In each store where at least one (1) full-time Experienced Food Clerk is employed, there may be three (3) Apprentices employed. In stores employing more than one (1) full-time Experienced Food Clerk, the following formula applies:

No. of Apprentices	No. of Full-Time Experienced Food Clerks
4	5
5	9
6	13
7	17
8	21
9	25
10	29

and so on, adding one (1) Apprentice for each additional four (4) full-time Experienced Food Clerks.

The aforementioned ratio shall not apply for a period of one (1) year following the opening of a new store to the public.

If a store is out of ratio for any reason, the Employer shall have thirty (30) days after receipt of written notice by the Union to re-establish said ratio without penalty.

It is understood that the aforementioned ratio applies only on a weekly basis. On Sundays and holidays only, the ratio shall be applied on a daily basis. If there is a Sunday or holiday violation, the most senior Apprentice Food Clerk who worked on that day shall be paid at the Journeyman Food Clerk's rate for said work.

In the event that qualified Journeyman Food Clerks are not available, or Journeyman Food Clerks employed by the Employer in other stores within the Union's jurisdiction are not available for transfer, the above ratio shall not apply.

9.5.2 UPGRADE: Where any store has exceeded the permissible ratio of Apprentices and has not re-established said ratio within the thirty (30) days set forth above and Experienced Food Clerks are not available, Apprentices employed in the store shall be promoted to the Journeyman Food Clerks' classification in sufficient number to re-establish said ratio effective the first schedule posted after the expiration of said thirty (30) day period. Such promotion shall be according to seniority where merit and ability are equal.

9.5.3 TRAINING: It shall be understood that Apprentices shall be guaranteed full training within the year, including thirteen (13) weeks' work at the checkstand and at least thirteen (13) weeks' work in shelf stocking assignments.

9.6 COURTESY CLERK:

9.6.1 DUTIES: A Courtesy Clerk is an employee who may perform only the following duties:

(1) Bag or box the merchandise after it has been checked out and take it to the customer's vehicle.

(2) Clean the checkstands and area around the non-selling foyer or vestibule between the front of the checkstands and the entrances and general cleaning throughout the sales floor area of the store.

(3) Collect and line up push carts and return them to the store from the parking lot.

(4) Maintain the upkeep of the parking lot and areas around the perimeter of the store including landscaping.

(5) Stock the bags in the checkstand.

(6) Collect bottles, take them to the designated area and sort them. No more than one (1) Courtesy Clerk shall be scheduled for the duty of sorting bottles at any one time.

(7) Post and remove display signs and decorations. No more than one (1) Courtesy Clerk will be scheduled at any one time to place display signs on the sales floor area of the store, except that more than one Courtesy Clerk may post and remove decorations.

(8) In addition, he may clean up the checkstands; check prices; clean up spills; put away "go-backs"; tear cardboard from the checkstand forward in the store; replenish bags from the back room; and obtain product from the selling area requested by customers being checked out.

(9) The Employer agrees to specifically instruct each Courtesy Clerk upon his employment, in writing, that under no circumstances

shall he be allowed to work more than 45 minutes after the closing of the store to the public or 30 minutes before the opening of the store or to receive, stock, display, check, mark or perform any duties except as set forth above.

9.6.2 DAILY GUARANTEE: Courtesy Clerks shall be subject to all the provisions of this Agreement except that instead of the minimum work guarantee set forth in this Agreement, when scheduled or called in to work, they shall be provided with at least two (2) hours' work on week days and four (4) hours' work on Saturday, Sunday or on holidays as set forth in this Agreement.

9.6.3 WEEKLY GUARANTEE: Each Courtesy Clerk shall be offered at least sixteen (16) hours' work in each week. In the event said Courtesy Clerk cannot be scheduled to work or cannot work sixteen (16) hours in the week, he shall not work at all during that particular week.

9.6.4 NO REDUCTION: The employment or continuation of employment of a Courtesy Clerk shall not cause the replacement of an existing regular full-time or part-time Journeyman Food Clerk or Apprentice Food Clerk, nor shall it cause a reduction in the number of hours of work of such Clerks.

9.6.5 BADGES: Courtesy Clerks shall wear badges on their person designating them as a Courtesy Clerk at all times during working hours, and their failure to wear such badge while working shall be considered a violation of these provisions. The Union will submit a written warning to the Employer and employee involved; and in the event of a second violation with the same Employer by the same employee, the Employer agrees to suspend said employee for six (6) calendar months following written notice from the Union to the employee and Employer involved. If the Employer does not furnish the badges, the Union may furnish them.

9.6.6 PENALTY FOR VIOLATION: The Employer agrees that Courtesy Clerks shall not perform duties other than those listed in the Collective Bargaining Agreement. In the event of violation of this Section, the Union shall notify the Employer, in writing, of such violation and it shall be corrected.

In the event any of the same persons are involved in a second violation within one (1) year from the first infraction, the person performing the work, unless directed to do so by a person in charge, shall be suspended for one (1) week and the person who directed that the work be performed shall also be suspended for one (1) week or the sum of five hundred dollars (\$500.00) shall be paid into the Retail Clerks and Food Employers Pension Fund.

In the event of a third violation within one (1) year from the first infraction by any of the same persons, the person performing the work, unless directed to do so by a person in charge, and the person directing that the work be performed will be suspended for one (1) month or the sum of one thousand five hundred dollars (\$1,500.00) will be paid into the Retail Clerks and Food Employers Pension Fund.

9.7 DEMONSTRATORS: It is understood that the handling of coupons is not Demonstrator's work. All work connected with or incidental to the demonstration of merchandise offered for sale in the Employer's retail store (except merchandise referred to in Section 1.2 hereof as being excluded from this Agreement) shall be covered by this Agreement, and all

such work shall be performed only by members of the appropriate unit as defined in Section 1.1 hereof. No Demonstrator may perform such work in the Employer's retail store unless said Demonstrator is on the payroll of the Employer, and unless the Employer at all times holds and exercises full control of the terms and conditions of employment of any such Demonstrators while such work is being performed in the Employer's retail store. Demonstrators shall be covered by all the terms of this Agreement, except pension and health and welfare.

Effective the first full pay period on or after ratification, April 11, 1986, the hourly rate of pay for Demonstrators shall be \$7.70 per hour.

9.8 TWO CLASSIFICATIONS: Unless otherwise provided herein, the Employer may require any employee to do work within the duties of any classification, in which event such employee shall be classified and paid for the entire shift under that classification which pays the highest wage; except that where any employee of a higher classification is relieved for a meal period, or the mere occasional or incidental performance of the duties of a higher classification, shall not be construed as entitling the employee to the pay of the higher classification.

9.9 LIMITED CLERK: Any employee whose earning capacity is limited because of a physical or mental handicap, or other infirmity, may be employed on suitable work at a wage agreeable to the Employer, employee and Union.

9.10 TRAVEL ALLOWANCE: An employee who is hired to work on a full-time basis in one store, who is temporarily assigned to relief work in another store, shall be entitled to reimbursement for the following travel expenses:

(1) Mileage for the extra travel resulting from such assignment (or established bus or taxi fare if so designated by the Employer) according to the amount provided for under the Internal Revenue Service Regulations (currently 21¢). Increase in the amount provided for under Internal Revenue Service Regulations shall be effective the date such increase is to be effective under the Internal Revenue Service Regulations or the week following notification to the Employer by the Union, whichever is later;

(2) Reasonable allowance for board and lodging, not to exceed twenty dollars (\$20.00) per day, when required to stay away from home overnight; and

(3) Necessary out-of-pocket expenses such as bridge tolls and parking fees.

The above provisions shall not apply to an employee who is hired for or regularly assigned to relief work or to work in different stores on different days of the week.

9.11 TRANSPORTATION: Any employee who is required by the Employer to perform his or her regular duties in more than one store in any day shall be reimbursed for necessary out-of-pocket and mileage expenses as provided for above. No such transfer shall be made in a manner to interfere with the lunch hour of the employee so transferred, and all time consumed in travel from one store to another shall constitute a part of the regular day's work of the employee.

9.12 TRANSFER OR REMOVAL OF WORK: No work now being performed by employees in the unit covered by the Collective Bargaining Agreement shall be transferred or removed from the unit without consultation and negotiation with the Union and unless the transfer or removal of such work is required for the purpose of promoting improved operating techniques, technological changes, automation or other factors connected with more efficient operations, as distinguished from reasons connected with securing the performance of such work at lower rates of pay or under less favorable employment conditions.

9.12.1 Where as a result of such consultation and negotiations it is determined that the transfer or removal of any work is justified upon the considerations set forth above, the parties shall seek to determine the extent of the work transferred or removed and the number of jobs or hours of work to be lost by the Union members affected. Based upon such findings, the following remedies shall be applied:

(1) Any employee losing hours of employment by reason of such transfer or removal of work shall either be compensated at his regular rate of pay for such hours, or he shall be given other comparable employment by the Employer in the area covered by this Agreement at compensation equal to that received by him prior to the work transfer. If the comparable employment is within the bargaining unit, then he shall retain his seniority and other benefits under the contract.

(2) The Employer shall attempt to provide any employee losing his job as a result of any such transfer or removal of work with other comparable employment in the area covered by this Agreement without loss of pay, status, seniority, or other benefits. Any employee not receiving such other employment shall receive one (1) week's severance pay for each year of service with the Employer, provided that if an employee receives such comparable employment outside the bargaining unit and does not remain in such employment for at least thirty (30) days, he shall receive the full severance pay provided for herein.

9.12.2 Any employees who lose work or employment as a result of the failure of the Employer to observe the requirement provided for herein for consultation and negotiation concerning transfer or removals shall be entitled to full pay at their regular rate of pay for all such loss of work or employment.

9.12.3 Notwithstanding the above, it is agreed that should the Employer intend to institute electronic checkout systems which would have direct, material impact on employment covered by this Agreement, the Employer shall give to the affected Union or Unions at least sixty (60) days' written, advance notice by certified or registered mail setting forth the nature of such intended changes and/or methods of operation.

Upon written request by the Union, negotiations shall commence with respect to the following subjects: rates of pay for new jobs which might be created; transfer to comparable work, within or outside the bargaining unit; or the disposition of displaced employees resulting from the institution of such new methods.

In the event the parties do not reach agreement within such period, then all unresolved issues as set forth above shall be submitted to final and binding arbitration. It is not the intent of the parties that such negotiations or arbitrations will in any way jeopardize the efficiencies and increased productivity to be gained by the installation of such systems. The arbitrator shall be selected in accordance with the provisions of Section 19.

The parties further agree that the arbitrator's decision shall be final and binding, and that there will be no strike, work stoppages, lockout, or economic action of any sort or form employed by either party in connection with or arising out of any dispute concerning or related in any way to the operation of this Section.

It is agreed and expected that the parties will exert every effort to accomplish the foregoing within the sixty (60) day allotted period, but failing to do so shall not prohibit or in any way impede the Employer from installing or effectuating any such new methods, systems, or equipment upon the expiration of the allotted sixty (60) day time period, unless such period is extended by mutual written agreement. The decision of the arbitrator or the parties shall be effective on or retroactive to the date such new methods are installed. The cost of the impartial arbitrator shall be borne equally by the parties.

Section 10. HOLIDAYS

10.1 The following days shall be recognized as paid holidays: Employee's Birthday, New Year's Day, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day. It is understood that the day of observance for Washington's Birthday, Memorial Day and Veteran's Day shall be those dates established by federal statute.

10.1.1 WORK: In the event that employees shall be obligated to work on any of the above holidays, they shall be paid at the rate of double their straight-time rate of pay in addition to the normal holiday pay.

10.1.2 SAN JOAQUIN COUNTY ONLY: NO WORK: No employee shall be permitted to work on any of the following holidays: Thanksgiving Day and Christmas Day.

If the Employer elects to open on New Year's Day or Labor Day, the store shall be staffed with volunteers. If more employees than are needed volunteer, assignment shall be by seniority.

VIOLATION: In the event any Employer violates this provision by allowing anyone to work in the store on any of the above holidays, the Union will be allowed to place pickets at the store as soon as possible and allow them to continue their activities for a maximum of three (3) days following each violation.

10.1.3 EMPLOYEE'S BIRTHDAY: Employees shall receive pay for said holiday as if worked. Each employee shall give his Employer notice of his birthday at least two (2) weeks prior to the week in which the birthday occurs.

Such birthday holiday shall be enjoyed by the employee on the actual day of his birthday or on another day mutually agreeable to the employee and the Employer.

If an employee's birthday falls on a day which is otherwise considered as a holiday, he shall receive an additional day off for the birthday in addition to the holiday on which it falls.

10.1.4 PROBATIONARY EMPLOYEES: Probationary employees are not entitled to any paid holidays.

10.1.5 SUNDAY: Whenever any of the holidays mentioned in this Agreement fall on Sunday, they shall be observed on the following Monday, except that any Christmas or New Year's Day that falls on a Sunday will be observed on the Sunday.

10.1.6 PART-TIME EMPLOYEES: Holiday pay for employees who work less than forty (40) hours shall be based on twenty percent (20%) of the employee's average hours worked per week in the six (6) weeks immediately preceding the holiday or the number of weeks worked if less than six (6); except that in computing pay for the New Year's holiday, the same period of time used in computing pay for the Christmas holiday shall be used.

10.2 HOLIDAY WEEK: Any employee who has reported for work on his scheduled working day immediately preceding and his scheduled working day immediately following a recognized holiday, except when permission to be absent has been granted by the Employer or when the absence is due to a bona fide illness of the employee, shall receive holiday pay at his regular rate of pay. It is understood that in order to qualify for holiday pay an employee must work at least one (1) work day during the week in which the holiday falls.

10.3 OTHER HOLIDAY OBSERVANCE: Where the Employer closes his store to the public on any day of special religious significance, or on any legal holiday other than those listed above, it is understood that he shall reschedule his regular full-time employees to work their normal number of working hours that week.

10.4 GOOD FRIDAY: No employee will be refused time off between the hours of 12:00 noon and 3:00 p.m. on Good Friday for the purpose of attending religious services. Any employee taking such time off will receive straight-time pay for scheduled working time during this period and shall not be required or permitted to make up such time off.

Section 11. VACATIONS

11.1 All employees who have been in the service of the Employer for one (1) year, twelve (12) consecutive months, shall be granted a minimum of two (2) weeks' vacation annually with pay. Such employees who have been in the service of the Employer for five (5) years or more shall receive three (3) weeks' vacation annually with pay. Such employees who have been in the service of the Employer for fifteen (15) years or more shall receive four (4) weeks' vacation annually with pay. Such employees who have been in the service of the Employer for twenty (20) years or more shall receive five (5) weeks' vacation annually with pay.

ACCUMULATION: Vacations may not be waived, nor may extra pay be received by any employee for work performed for the Employer during the

employee's vacation period. Vacations may not be cumulative from year to year.

CONTINUITY: All loss from employment because of reasonable absence from work through sickness or other emergencies, or temporary layoff, not exceeding thirty (30) calendar days, shall be considered as time worked for the purpose of determining the length of employment.

PAY AND SPECIAL PROVISIONS: For the purpose of computing or prorating vacation earnings, four percent (4%) of the employee's earnings for the previous year equals two (2) weeks' vacation pay; six percent (6%) of the employee's earnings for the previous year equals three (3) weeks' vacation pay; eight percent (8%) of the employee's earnings for the previous year equals four (4) weeks' vacation pay and ten percent (10%) of the employee's earnings for the previous year equals five (5) weeks' vacation pay.

NOTE: Vacation pay shall be computed on the employee's W-2 form earnings for the prior calendar year, except for the first year of employment where it shall be computed on total earnings during the first anniversary year of employment and, when an employee terminates, it shall be computed on his earnings from the employee's anniversary date of employment to his termination date.

11.2 The parties, by the execution of this Collective Bargaining Agreement, agree to accept and be fully bound by the terms of the Northern California Retail Clerks Unions — Employers Vacation Fund and Plan, and any amendments thereto.

11.3 EMPLOYER CONTRIBUTIONS: The Employer further agrees to contribute three cents (3¢) per straight-time hour, effective June 1, 1971, for hours worked during the previous month by all employees covered by this Agreement, and such contributions shall also be made on all hours, including vacations and holidays which are compensated as straight-time under the terms of this Agreement. In calculating the number of hours on which contributions are to be made to the Trust Fund, the following formula will apply:

Previous calendar year's straight-time hours divided by 52 weeks equals the number of hours on which contributions will be made to the Trust Fund.

The Employer shall contribute to the Trust provided for in 11.2 hereof an amount per hour which is required to maintain in effect for employees the Joint Vacation Fund in effect as of January 1, 1971. Except as herein specifically provided, the amount of contributions shall be determined by the Trustees, and such Trustee action shall be binding on the Employer.

If the Trustees find, on the basis of an actuarial study, that the Employer contributions are insufficient for the payment of the benefits and sound funding of the Plan, they shall determine the amount of the Employer contribution necessary for such purposes. For hours worked during the month immediately following the month in which such determination is made by the Trustees, and thereafter, for the remainder of this contract term, the Employer shall pay the increased contribution so determined.

11.4 NEW EMPLOYER: Vacation seniority, defined as the length of an employee's service which determines the length of vacation to which he is entitled, shall not be affected by the sale or transfer of the store in which he works. Employees who continue in employment with a new Employer

acquiring a store shall have their service prior to the time of acquisition credited by the Funded Vacation Plan.

The new Employer shall be obligated to make vacation payments after the acquisition in accordance with the employee's service with the new Employer.

The former Employer shall pay each of his employees earned vacation prorated to the time of the sale or transfer of the business.

However, if the selling or transferring Employer fails to comply, then the Employer who takes over or purchases the store shall assume the pro rata obligations.

11.5 SCHEDULE: The Employer agrees to post the available vacation dates for each classification by April 1st of each year so the employees will be better able to select their vacation periods.

PERIOD: Vacation periods shall be granted between April 1st and October 1st of each year, or at other times if mutually agreeable to the Union, the Employer and employees affected, but in all cases at least ten (10) days' notice of the date of vacation shall be given each employee. When a holiday falls during an employee's paid vacation, such employee shall receive an additional day's vacation with full pay.

After the completion of one (1) year of employment, if the employee is scheduled to take his time off prior to his anniversary date, then in that event a pro rata payment based upon Company service shall be made at that time and the additional amount will be paid at the time of his anniversary date. As long as no weeks during the vacation period are blocked out, the Employer has the right to limit the number of employees on vacation at any given time.

11.6 PRO RATA: Any employee who is discharged, laid-off, or who resigns after three (3) months or more of employment shall receive vacation wages prorated on the basis of the period worked at the time of said interruption or termination of employment.

11.7 CONTINUOUS: All vacations shall be taken in one continuous period. All employees entitled to a vacation shall receive their vacation pay allowance in advance immediately preceding the employee's vacation. Employees, at their option, shall be entitled to an additional week's vacation without pay; in all such cases, however, the employee shall give the Employer at least ten (10) days' notice prior to leaving for the paid vacation.

VARIATION: Notwithstanding the above provisions, employees entitled to three (3), four (4) or five (5) week vacations shall be allowed to take them in one or two periods such as: two (2) two-week periods; two-week and one-week periods; three-week and one-week periods; three-week and two-week periods; four-week and one-week periods; provided such vacation schedule shall be approved by the Employer, the employee involved and the Union.

Section 12. GENERAL PROVISIONS

12.1 SAFETY RULES: Safety rules pertaining to the conduct of employees shall be conspicuously posted by the Employer in his place of business, and the Employer shall maintain in his store or other place of business a fully-equipped first aid kit.

12.2 MILITARY SERVICE: The Employer agrees to comply with the terms of the Universal Military Training and Service Act, with reference to all provisions providing for the re-employment of persons entering Military Service. These provisions shall be deemed a contractual obligation under the terms of this Agreement.

12.3 BONDING: Whenever the Employer requires the bonding of any employee or the carrying of any insurance for the indemnification of the Employer, premiums for the same shall be paid for by the Employer. No cash deposits, cash or real property bond, shall be required of any employee.

12.4 FLOOR COVERING: Wood or suitable floor covering shall be provided for on all concrete floors behind checkstands.

12.5 UNIFORMS: Where the Employer desires the wearing of a uniform and/or head covering, the Employer shall furnish the same without cost to the employee. The Employer shall also provide for the maintenance of such wearing apparel, except if the Employer furnishes drip dry uniforms, the employee shall maintain such uniforms. The Employer shall provide rain jackets.

Shirts and/or ties will be supplied only if the Employer specifies both the color and the specific style. Specific style shall be defined as collar style, sleeve length and fabric content. Once implemented there shall be no change in color unless by mutual agreement.

SPECIAL WEAR: It is also understood if an employee is required by the Employer to purchase or rent a special costume or unusual clothing not part of his existing wardrobe, the Employer shall reimburse the employee for any reasonable and necessary cost involved or furnish the required costume or unusual clothing to the employee without cost for the period of time the requirement is in effect.

Employees required to work in refrigerated rooms shall be permitted to wear slacks, sweaters, or other suitable clothing to adequately protect them from cold and dampness while working in such rooms.

12.6 TOOLS AND EQUIPMENT: The Employer shall furnish all the required equipment and tools necessary for the employment, without cost to the employee.

12.7 PAYDAY AND DEDUCTIONS: Employees shall be paid at least once each week, within five (5) days after the termination of the week's work and before his shift terminates on payday, except any holiday week when the above period shall be increased to six (6) days. The Employer shall furnish each employee with a weekly wage statement showing his name, hours of work, overtime if any, total wages paid and list of deductions made.

12.8 UNION BUSINESS: Employees shall be allowed time off without pay for the purposes of attending Agreement negotiations, adjustment or arbitration board hearings or for other bona fide Union business. In all such instances, the Employer shall be notified not less than three (3) days in advance of such absence and the number of employees requesting such absences shall be so limited by the Union that it will not interfere unreasonably with the Employer's business.

The Employer agrees to schedule any employee who is an officer, or a representative of the Union in any capacity of the Union, hours of work that

will permit him to attend the meetings of the Union, provided that it does not exceed one (1) employee per store or two (2) meetings per year. The Employer further agrees that these representatives will not suffer any loss in their normal scheduled hours in the week that they attend said Union meetings. It being understood that in doing so, the Employer shall not be placed in a position of violating the contract or having to pay any penalty for improper scheduling. The Union agrees that it will give the Employer seven (7) days advance notice of the date and time of the meeting referred to above. This provision shall also apply to new members who are required to attend meetings for the purpose of completing their obligations as members of the Union.

12.9 JOB INJURY: When an employee is injured on the job and reports for medical care and it is certified that he is unable to continue work, he shall be paid the basic straight-time rate of pay for the hours not worked on the day of injury.

12.10 PAYROLL DATA: In the event the Union has information that the Employer has violated provisions of this Agreement relating to rates of pay or the payment of health and welfare, pension and sick leave contributions, the Employer agrees to supply the Union with the necessary payroll data.

12.11 JURY DUTY OR COURT APPEARANCES: Employees required to perform jury duty or to appear in Court or the Police Department on behalf of their Employer, shall receive their regular straight-time pay during such jury duty or such appearances, less jury pay or witness fees received.

Employees performing jury duty shall have their schedule changed so that their shift begins at the time of reporting for such jury duty.

Employees regularly scheduled for night work shall be rescheduled to a day shift for the period of jury duty service.

It is understood that time spent in awaiting impaneling for jury service is to be considered covered time under this provision.

Employees shall immediately report for work after being excused from jury duty service, provided there is sufficient time remaining on the daily work schedule to work for at least half of the daily shift. Failure to so report shall render null and void any claim for jury service for that day.

The rescheduled work shift, when combined with time spent for jury service or court appearances, is not to exceed a total of eight (8) hours when in reasonable control of the Employer. Otherwise, the overtime rate of time and one-half (1½) shall apply for all time in excess of the combined total of eight (8) hours. The employee shall supply the Employer with verification of time spent and fees paid for jury duty services.

If an employee appears in Court or the Police Department on behalf of the Employer on his days off, he shall receive his basic straight-time rate of pay for the time spent in making such appearance, but such time shall not be considered as part of the work week under the terms of this Agreement.

12.12 LEAVES OF ABSENCE: Leaves of absence shall be granted as follows:

12.12.1 SICKNESS AND NON-INDUSTRIAL INJURIES: Up to six (6) months after one (1) year's employment.

12.12.2 INDUSTRIAL INJURIES: Up to twelve (12) months for any employee incurring an industrial injury after his first sixty (60) days of employment and who has less than three (3) years of seniority at the time said leave of absence commences. Up to eighteen (18) months for any employee who has three (3) or more years seniority at the time said leave of absence commences.

12.12.3 PERSONAL LEAVES: Leaves up to thirty (30) days after one (1) year of employment for compelling personal reasons to be agreed upon by the parties, such leaves shall be requested and granted in writing.

12.12.4 At the end of any period of such leave of absence for illness or injury, an employee shall be restored to employment with the Company with full seniority to a position comparable to the one he held immediately prior to such leave of absence.

12.12.5 The foregoing notwithstanding, no employee shall suffer loss of seniority because of absence due to illness of fifteen (15) working days or less.

12.13 FUNERAL LEAVES: When a regular full-time employee on the active payroll is absent from work for the purpose of arranging for or attending the funeral of a member of his immediate family, as defined below, the Employer shall pay him for eight (8) hours at his regular rate of pay for each day of such absence up to a maximum of three (3) days, provided:

(1) The employee notified the Employer of the purpose of his absence on the first day of such absence;

(2) The day of absence is one of the three days commencing with the day of such death or the day immediately following the day of such death;

(3) The absence occurs on the day during which the employee would have worked but for the absence;

(4) The day of absence is not later than the day of such funeral except where substantial travel time is required;

(5) The employee, when requested, furnishes proof satisfactory to the Employer of the death, his relationship to the deceased, the date of the funeral, and the employee's actual attendance at such funeral.

For the purpose of this Sub-Section, a member of the immediate family means the employee's spouse, child, mother, father, sister, brother, mother-in-law, father-in-law, grandparents and grandchildren.

(6) Part-time employees shall be entitled to funeral leave pay for the actual day of the funeral if scheduled to work on said day.

12.14 RETURNED CHECKS: Where the Employer has a posted or published check-cashing policy, the employees shall conduct themselves accordingly; and when an employee follows such policy, he shall not be held financially responsible for returned checks other than his own personal check, nor shall he be expected or required to locate the check-cashing customer.

12.15 BULLETIN BOARD: The Employer agrees to provide space for the posting of official Union meeting notices.

Section 13. GROUP INSURANCE — HEALTH & WELFARE, DENTAL & SICK LEAVE

13.1 EMPLOYER ACCEPTANCE: The Employer agrees to accept and be fully bound by the terms of that certain Declaration of Trust dated August 26, 1963, providing for the Valley Clerks Health & Welfare Fund as the same may be applicable to the Welfare Plan therein provided for, and any amendments thereto. The Employer hereby acknowledges receipt of a copy of said Declaration of Trust.

13.2 EMPLOYER CONTRIBUTIONS: Effective with straight-time hours worked on and after March 1, 1986, the Employer will contribute \$1.40 per straight-time hour worked.

It is the intent of the collective bargaining parties that the Board of Trustees maintain reserves in the amount of \$27,500,000. Should the reserves drop below \$25,000,000 then the Trustees are directed to increase Employer contributions in an amount necessary to restore the \$27,500,000 reserve over a nine-month period, or the remaining months in the term of this Agreement, whichever is less; however, in no event shall the contributions be increased to more than \$1.92 per straight-time hour worked from March 1, 1986, to March 1, 1987; \$2.02 per straight-time hour worked from March 1, 1987, to March 1, 1988; \$2.12 per straight-time hour worked from March 1, 1988, to March 1, 1989.

It is also understood that if the reserve exceeds \$30,000,000 anytime during the last 18 months of this Agreement, the Trustees are directed to adjust contributions to a level that is consistent with the \$27,500,000 reserve policy on February 1, 1989. During the last three months of this Agreement the contribution rate shall at least be equal to the cost of the Plan at that time.

Such contributions shall be made on all straight-time hours worked including Sundays and/or hours compensated for such as vacations and holidays. Contributions shall be made on or before the 20th of the month for covered hours worked during the previous month. It is understood that the contributions required on behalf of any employee shall not exceed forty (40) straight-time hours per week or 2080 straight-time hours in any calendar year.

13.3 The Trustees are instructed by the parties to provide that employees who have retired or who may retire under the Northern California Retail Clerks Unions and Food Employers Joint Pension Plan prior to March 1, 1980, and their eligible surviving spouses will receive such health and welfare benefits for retirees which are in effect on February 1, 1980, or as improved as in accordance with Plan Rules. Employees who retire on and after the dates below will be eligible for health and welfare coverage for retirees, provided:

(1) The employee maintained eligibility for active health and welfare benefits under the Valley Clerks Health and Welfare Fund for three (3) out of the last six (6) years immediately preceding his retirement date (effective March 1, 1981), and

(2) The employee has ten (10) years of Credited Service under the Northern California Retail Clerks Unions and Food Employers Joint Pension Plan (effective March 1, 1982).

Eligible dependents of retirees are those persons who qualify as dependents on the retiree's first day of retirement, except that a child born after retirement commences will become eligible at birth.

13.4 The parties recognize and acknowledge that the regular and prompt payment of Employer contributions to the Fund is essential to the maintenance of the Health and Welfare Plan, and inasmuch as beneficiaries under the Plan are entitled to benefits for the period of time that they may have worked while covered by the Plan even though contributions have not been paid on their behalf by their Employer, that it would be extremely difficult, if not impractical, to fix the actual expense and damage to the Fund and to the Plan which would result from the failure of an individual Employer to pay such monthly contribution in full within the time provided; therefore, the amount of damage to the Fund and Health and Welfare Plan resulting from any such failure shall be presumed to be the sum of twenty dollars (\$20.00) per delinquency, or ten percent (10%) of the amount of the contribution or contributions due, whichever is the greater, not to exceed the sum of one hundred dollars (\$100.00) per delinquency, which amount shall become due and payable to the Fund as liquidated damages and not as a penalty, upon the day immediately following the date upon which the contributions become delinquent, and shall be in addition to said delinquent contribution or contributions.

13.5 COST CONTAINMENT: The Trustees are authorized and directed to expand cost containment programs where appropriate, for both the active and retiree plans, including the following:

(1) Amend the existing coordination of benefits provision to provide that where this Plan is coordinating benefits of an individual who is: (A) eligible as a retiree under this Plan or a dependent of such person; (B) or an employee whose eligibility under this Plan is a result of self-payment of contributions, or a dependent of such employee; or (C) an employee eligible for benefits under this Plan because of total disability extension of benefits, or a dependent of such person, payments by this Plan shall always be secondary. The Trustees are directed to study the expansion of the coordination of benefits provision so as to provide that disincentives are not negated as it applies to this Plan.

13.6 BUSINESS EXPENSE: It is understood that the provision for a Health and Welfare, Dental, Vision Care, Drug and Sick Leave Plan(s) is being entered into and continued upon the condition that all payments shall be deductible as a business expense under the Internal Revenue Code as it presently exists or as may be amended subsequent to the date of this Agreement and under any similar state revenue or tax laws.

13.7 LEGISLATION: In the event of legislation providing health and welfare or sick leave benefits which are also provided for under this Agreement, the Trustees are directed to immediately amend the Plan Document deleting duplicated benefits. If by reason of the elimination of duplicated benefits there is a savings to the Employer and the Fund, after the cost thereof is set off against the cost required of the Employer to finance said benefits, the Trustees shall meet no later than thirty (30) days from the effective date of the legislation to determine how said savings shall be used by the Fund. If the Trustees fail to reach an agreement they shall proceed, under the Trust Agreement, to decide such deadlock within seventy-five (75) days of the effective date of the legislation. Any cost reductions to the Employer and the Fund attributable to a cost required of

the employee under the legislation will be passed on to the employee through other health and welfare changes.

13.8 TRUST FUND ADMINISTRATION: The Trustees are authorized and directed to establish a study committee for the purposes of determining if the administrative functions of the Valley Clerks Health and Welfare Trust Fund should be transferred to the Retail Clerks-Employers Benefit Fund of Northern California Joint Administrative office located in Walnut Creek, California. If it is determined that the Trust Administration is to be transferred, then the Valley Clerks Health and Welfare Trust Fund will continue to operate as a separate Trust, with its present Board of Trustees, and retain its presently established policies and procedures as outlined by the terms of that certain Declaration of Trust dated August 26, 1963, providing for the Valley Clerks Health and Welfare Trust Fund, and any amendments thereto.

13.9 BENEFITS: The Trustees are authorized and directed to amend plan benefits as follows:

- (1) Increase the basic payment for home and office doctor visits to \$25.00.
- (2) Increase the basic payment for hospital doctor visits to \$25.00.
- (3) Increase the conversion factor for surgery under basic to \$15.00.
- (4) Cover anesthesia using the same conversion factor as surgery plus \$10.00.
- (5) Increase the major medical maximum from \$200,000.00 per disability to \$1,000,000.00 lifetime.
- (6) Annually review the RVS conversion factors under major medical and adjust same to reflect either community averages or contractual PPO rates whichever is the lesser of the two.
- (7) Increase the maximum lifetime payment under the orthodontia benefit to \$2,000.00.

Section 14. PENSIONS

14.1 EMPLOYER ACCEPTANCE: The Employer agrees to accept and be fully bound by the terms of that certain Declaration of Trust dated April 1, 1957, providing for the Northern California Retail Clerks Unions and Food Employers Joint Pension Fund as the same may be applicable to the Pension Plan therein provided for, and any amendments thereto. The Employer hereby acknowledges receipt of a copy of said Declaration of Trust.

14.2 EMPLOYER CONTRIBUTIONS: The Employer shall continue to contribute to the Trust Fund provided for in 14.1 hereof \$1.17 per straight-time hour.

Such contributions shall be made on all straight-time hours worked including Sundays and all hours compensated such as vacations and holidays, by all employees covered by the Collective Bargaining Agreement between the parties hereto. Such contributions shall be made on or before the 20th day of each month for hours worked during the preceding calendar month. It is understood that the contributions required on behalf of any employee shall not exceed forty (40) straight-time hours per week or 2080 straight-time hours per year.

An employee shall receive both vesting and benefit accrual credit for all hours compensated (including those for which no contribution is due to the Trust) to a maximum of 40 hours per week and 2080 hours per year.

14.3 TERMINAL VACATION PAY: Upon retirement, no Trust Fund contributions will be required of the Employer on terminal vacation pay made to an employee at retirement. The employee's retirement benefits will not be delayed and he will receive credit for hours even though contributions are not required.

14.4 PROMPT PAYMENT: The parties recognize and acknowledge that the regular and prompt payment of Employer contributions to the Fund is essential to the maintenance of the Pension Plan, and inasmuch as beneficiaries under the Plan are entitled to pension benefits for the period of time that they may have worked while covered by the Plan even though contributions have not been paid on their behalf by their Employer, that it would be extremely difficult, if not impractical, to fix the actual expense and damage to the Fund and to the Pension Plan which would result from the failure of an individual Employer to pay such monthly contributions in full within the time above provided; therefore, the amount of damage to the Fund and Pension Plan resulting from any such failure shall be presumed to be the sum of twenty dollars (\$20.00) per delinquency, or ten percent (10%) of the amount of the contribution or contributions due, whichever is the greater, not to exceed the sum of one hundred dollars (\$100.00) per delinquency, which amount shall become due and payable to the Fund as liquidated damages and not as a penalty, upon the day immediately following the date upon which the contributions become delinquent, and shall be in addition to said delinquent contribution or contributions.

14.5 OTHER PLANS: The Employer retains the exclusive right to alter, amend, cancel, or terminate any presently existing Company-sponsored Pension Plan or Employee-Retirement Plan which existed prior to the establishment of the newly negotiated Pension Fund, provided that the effective date of such alteration, amendment, cancellation, or termination shall not occur prior to the acceptance of this Plan.

14.6 REGULATIONS: The Trust and the benefits to be provided from the Pension Trust Fund, hereinabove referred to and all acts pursuant to this Agreement and pursuant to such Trust Agreement and Pension Plan shall conform in all respects to the requirements of the Treasury Department, Internal Revenue Service, and to any other applicable state or federal laws and regulations.

14.7 BUSINESS EXPENSE: It is understood that this provision for a Pension Plan is being entered into upon the condition that all payments made by the Employer hereunder shall be deductible as business expenses under the Internal Revenue Code as it presently exists or as it may be amended subsequently to the date of this Agreement and under any similar applicable state revenue or tax laws.

14.8 LIMITATION: The liability of the Employer shall be limited to the payment of the contribution required by the terms of this Agreement.

14.9 In the event of legislation requiring the restructuring of any of the essential elements of the Pension Plan, including, but not limited to, the benefit formula, amortization period, actuarial assumptions, vesting or administration of the benefits, the Trustees are instructed to immediately comply with such legislation in adjusting the elements on a sound actuarial basis with no change in the existing Employer contribution rate.

14.10 Because of the failure of tax qualification of the Supplemental Payment Fund, effective retroactive to January 1, 1981, the Declaration of Trust providing for the Northern California Retail Clerks Unions and Food Employers Joint Supplemental Payment Fund, and any amendments thereto, are hereby terminated and the Plan and Trust thereunder shall be deemed never to have been in effect. Effective retroactive to January 1, 1981, all assets and liabilities of the Trust shall revert to the Northern California Retail Clerks Unions and Food Employers Joint Pension Trust Fund, and the Trustees are authorized and directed to implement such transfer. The Trustees of the Pension Plan are authorized and directed to make periodic incidental payments to retirees in accordance with the Letter of Understanding executed on March 7, 1986.

14.11 DEFINED CONTRIBUTION PLAN: The Trustees are authorized and directed to establish a Defined Contribution Pension Plan and Trust to be effective March 1, 1987, in addition to and supplemental to the current Pension Plan. Effective March 1, 1987, the Employers will contribute ten cents (10¢) per straight-time hour to this Defined Contribution Plan. Effective March 1, 1988, the Employers will contribute an additional ten cents (10¢) per straight-time hour worked.

Section 15. FIELD ADMINISTRATION TRUST FUNDS

15.1 The Unions have determined that they are no longer willing to provide administrative functions, as distinguished from the usual and normal Union services, at Union expense to persons covered by the terms of the various benefit plans provided for by the Collective Bargaining Agreements. It is agreed that the portion of these functions determined to be Trust Fund functions, are properly chargeable to the Trust Funds under which said Plans are established and maintained.

All expenses of the sub-administrative offices shall be paid for by the respective Funds according to the formula established by the parties pursuant to the 1974 Joint Study.

Section 16. STORE MEETINGS AND CHARITABLE DRIVES

16.1 Time spent in store meetings or in meetings called by the Employer before the commencement of the day's work or after the day's work shall be considered as time worked and shall be paid for in accordance with the provisions of this Agreement.

16.2 All employee contributions to charity shall be voluntary.

Section 17. CONTRACT ENFORCEMENT AND STORE VISITS

17.1 VISITS: It is agreed by both parties hereto that the business representative of the Union shall have the right and shall be allowed by the Employer to visit any and all stores and shall have free access to the employees during such visits for the purpose of making inquiries from the employees relative to information concerning working conditions, complaints of members of the Union, and other matters pertaining to the enforcement of this Agreement, provided said investigation may be accomplished without interfering with the duties of the employees.

17.2 RECORDING TIME: The parties agree to observe the following procedures in enforcing the terms of this Agreement with respect to authorized work and reporting of working time:

(1) The Employer shall post the following notice in all stores:

The law and the Union Agreement require that all time worked shall be recorded daily, including starting and stopping time. All employees shall comply strictly with these requirements, and any employee failing to so comply shall be subject to discipline on the same basis as is followed with respect to any other violation of store rules or procedure.

(2) The Union shall promptly report in writing to the Employer any observed violation by an employee of this reporting time provision or the working of unauthorized time, and the Employer will take the necessary steps with the employee to correct such violation.

(3) Upon notification by the Union of a second such violation by the same employee, the Employer shall pay to the Welfare Fund provided for herein an amount equal to the overtime pay due and payable to the employee. In such case the employee involved shall be subject to discharge; retaining, however, his right to appeal any such discharge under the terms of this Agreement.

17.3 FREE TIME: When an employee willfully violates the provisions of this Agreement by working free time without the knowledge of the Employer, after a second written notice by the Union of this employee's repeated contract violation, the Employer agrees to discharge said employee within seven (7) days after receiving written notice of such violation.

Section 18. STRIKE OR LOCKOUT

18.1 During the life of this Agreement, the Union agrees not to engage in any strike or stoppage of work.

18.2 During the life of this Agreement, the Employer agrees not to engage in any lockout.

18.3 Refusal of any employee covered by the terms of this Agreement to pass through any picket line which has been sanctioned by the Central Labor Council of proper jurisdiction and/or the Valley Clerks Joint Council shall not constitute a violation of this Agreement.

Section 19. ADJUSTMENT AND ARBITRATION OF DISPUTES

19.1 Upon the request of either party hereto, a Board of Adjustment shall be created, to be composed of two (2) representatives of each party to this Agreement, for the purpose of passing on all claims, disputes and grievances arising between the parties during the term of this Agreement over the construction and application of this Agreement, or relating to working conditions arising out of this Agreement, when such cannot be settled directly between the Union and the particular Employer involved. Said Board shall meet for consideration of any such matter referred to it within seven (7) calendar days subsequent to a request therefor by either party. For cases other than those which are disciplinary in nature, the convening of the Adjustment Board may be waived. The time limit may be extended by mutual agreement of the parties. If the matter is not adjusted

and is impassed, the moving party shall communicate in writing to the other party within twenty (20) business days following the meeting of the Board of Adjustment their desire to proceed to arbitration. Failure of the moving party to comply with the twenty (20) business day time limit herein specified shall be deemed to be a conclusive waiver of the grievance.

For disciplinary cases only (suspensions and terminations) the following expedited procedure shall be utilized. A panel of five arbitrators has been selected prior to the execution of this Agreement and will be assigned by lot to each Local for a six-month period. At the expiration of each six-month period, the arbitrators will rotate in the following order: 588, 1288, 839, 1532, 916, and back to 588, etc. The arbitrators selected will provide the parties with all hearing dates in advance of each period of assignment.

Once arbitration has been requested in writing, the grievance will be assigned to the next hearing date. The parties shall be allotted a minimum of twenty (20) days from date of request to prepare the case for arbitration. Discharge cases will be heard first on the agenda followed by suspension cases based on date of occurrence unless mutually agreed otherwise.

Each case will be argued orally unless either party requests to file post-hearing briefs. In all cases, a court reporter shall be present and record the proceedings, unless mutually waived by the parties. If either party requests a transcript, the requesting party shall be solely obligated to pay for such transcript. Briefs are to be prepared and mailed within fifteen (15) business days from receipt of transcript with leave to extend by mutual agreement.

The appearance fee for the court reporter shall be subject to Section 19.3. At the conclusion of the hearing the arbitrator shall issue a decision within three (3) business days from either the close of the hearing or the receipt of post-hearing briefs. A written opinion and award will be furnished within 30 days thereafter.

The expedited arbitration procedure is subject to one (1) year trial period and may be discontinued at the expiration of that one (1) year at the request of either the FEC, on behalf of its representative companies, or the Valley Clerks Joint Council, on behalf of its member Unions. If the expedited procedure is discontinued, parties will follow the same procedure utilized in the arbitration of contract disputes.

For contract interpretation disputes which proceed to arbitration, the parties will mutually select an impartial arbitrator. If the parties are unable to agree upon the selection of an arbitrator, they shall request a panel of arbitrators from the FMCS and they shall select an arbitrator therefrom by the strike-off method.

The award of the Adjustment Board or arbitrator shall be final and binding upon the Employer, the Union and the employee.

19.2 The arbitrator shall not have the right to alter, amend, delete or add to any of the terms of this Agreement.

19.3 All jointly-incurred arbitration expenses shall be borne by the losing party. In the event of a dispute concerning the application of this Section, the arbitrator shall be empowered to determine the allocation of expenses.

In termination cases, it is agreed that if a grievant is reinstated to employment with full back pay, the Company shall pay the jointly-incurred costs of the arbitration. If a grievant is not reinstated, the Union shall pay

the jointly-incurred costs of the arbitration. If a grievant is reinstated with partial or no back pay, the parties shall split the jointly-incurred costs of the arbitration.

19.4 If either party fails or refuses: (1) to constitute a Board of Adjustment, as required by Section 19.1 hereof; (2) to observe the time limits provided in Section 19.1 hereof for the consideration of complaints by the Adjustment Board or the submission thereof to arbitration; or (3) to select an arbitrator within a reasonable time after the Adjustment Board has failed to agree on any question referred to it, then in any such event the other party shall be free to proceed to arbitration, whether or not the other party chooses to participate; provided, however, that prior written notice of such intent is given to the other party. In any cases, where one party proceeds to arbitration without the participation of the other party, as herein provided, the arbitrator shall be selected by the participating party from a panel furnished by the FMCS, and any award rendered by an arbitrator so selected shall be final and binding upon both parties.

19.5 Each party shall in good faith divulge to the other party all available material facts at the time said party acquires knowledge thereof concerning the matter in dispute. Nothing contained herein shall require either party to supply documents which are irrelevant.

19.6 Interest at seven percent (7%) shall be payable on all money claims awarded by the Adjustment Board or by an arbitrator, and such interest shall commence as of the date the complaint is first submitted to the Adjustment Board.

19.7 CLAIMS: In the case of a direct wage claim or a claim for contributions to employee benefit plans which does not involve an interpretation of any of the provisions of this Agreement, either party may submit such claim for settlement to either the grievance procedure provided for herein or to any other tribunal or agency which is authorized and empowered to effect such a settlement.

The Employer is not required to pay any wage claim or portion thereof retroactively for a period of more than six (6) months immediately prior to the date of the Employer's receipt, of written notice from the Union, of such claim.

Section 20. TERM OF AGREEMENT

20.1 Except as otherwise indicated herein, this Agreement shall be effective March 1, 1986, and shall remain in full force and effect in all areas to and including February 28, 1989, and shall be considered as renewed from year to year thereafter unless either party hereto gives written notice to the other of its desire to have the same modified or terminated. Such notice shall be given at least sixty (60) days prior to such expiration date, during which period negotiations for a new Agreement shall be conducted, with all conditions agreed to by the parties to become effective on the first day of the week nearest the expiration date of this Agreement. If after opening as provided herein the parties fail to reach an agreement within the period so provided, then the provisions of Section 18 shall not be binding on either party.

20.2 It is understood and agreed between the parties that all prior Agreements between them are hereby terminated and cancelled, and that this Agreement supersedes and replaces all such prior Agreements.

20.3 This Agreement shall be binding upon the heirs, executors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto by their duly constituted representative officers affixed their signatures this _____ day of _____, 19_____.

FOR THE UNION:

United Food & Commercial
Workers Union, Local No. 588,
AFL-CIO, CLC

FOR THE EMPLOYER:

By

_____ Firm Name

_____ Address

_____ City

_____ By

The Way It Was—1938

1938 Work Week

The recognized work week in the contract consisted of a nine-hour day and a 54-hour week. Stores did not open before 7 a.m. and did not close later than 8 p.m.

1938 Overtime

Time worked in excess of 54 hours was considered overtime and paid at time and one-half.

1938 Inventory Time

Employees engaged in taking of inventory could work 16 hours in any one fiscal year without pay. Any time in excess of 16 hours was paid at the straight-time rate of pay or given equivalent time off.

1938 Shift Provisions

None

1938 Wages

Apprentice: (less than one-year experience in Retail Grocery Industry)

First four months	\$18.00 per week
Second four months	\$20.00 per week
Third four months	\$22.00 per week
One year	\$25.00 per week

Clerks: (one or more year's experience) ..\$25.00 per week

Managers

Managers	\$35.00 per week
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The Way It Is—1986-89

(1986-1989) Current Contract Work Week

A work day consists of eight hours and a work week is 40 hours. In stores operating seven days per week, employees receive two successive days off within a calendar week.

Current Contract Overtime

Overtime wages range from time and one-half to TRIPLE time depending on specific circumstances.

Current Contract Inventory Time

Not permitted.

Current Contract Shift Provisions

Provisions are made for shift intervals, meal periods, break periods and night premiums.

Current Contract Wages

Managing Clerks \$578.72 per week

Sr. Head Clerks & Sr. Produce Clerks ..\$557.08 per week

Journeyman Clerks (2080 hours) \$539.36 per week

Apprentice Clerks:

Fourth three months (1560 hours) ... \$458.44 per week

Third three months (1040 hours)... \$404.52 per week

Second three months (520 hours)... \$350.60 per week

First three months..... \$296.64 per week

Women Apprentices:

First six months \$16.00 per week
Second six months..... \$18.00 per week
One year \$22.50 per week

Women Clerks \$22.50 per week

1938 Part-Time

Part-timers received at least two hours' pay per shift.

1938 Employee Classification

None

1938 Training & Promotion

None

1938 Travel Allowances/Transportation

None

1938 Transfer or Removal of Work

None

1938 Holidays With Pay

No provision made if employee worked on a holiday.

1938 Vacation

An employee of 12 months or more received one week's vacation annually.

Courtesy Clerks:

Hired prior to 3/8/83 \$254.20 per week
Hired on or after 3/8/83 \$200.00 per week
No distinction between men and women.

Current Contract Part-Time

Part-timers receive at least four hours' pay per shift.

Current Contract Classification

Numbers of employees in each classification specified.

Current Contract Training & Promotion

Training and promotion specified

Current Contract Travel Allowances/Transportation

Provisions specified

Current Contract Transfer or Removal of Work

Excellent protection language

Current Contract Holidays With Pay

Double-time in addition to normal holiday pay is paid if an employee works on an established holiday.

Current Contract Vacation

A one-year employee receives two weeks' vacation. A five-year employee receives three weeks' vacation. A 15-year employee receives one month's vacation.

1938 Seniority

None

1938 General Provisions

None

1938 Group Insurance

None

1938 Health and Welfare

None

1938 Dental Plan

None

1938 Sick Leave

None

1938 Pension Fund

None

1938 Employer Lockout Clause

None

Current Contract Seniority

Outstanding language

Current Contract General Provisions

There are general provisions specified regarding such items as safety rules, bonding, uniforms and special wear, tools and equipment, Union business, jury duty and court appearances as well as various personal leaves.

Current Contract Group Insurance

Outstanding plan

Current Contract Health and Welfare

Unsurpassed in the nation

Current Contract Dental Plan

One of the very best

Current Contract Sick Leave

Unsurpassed in the nation

Current Contract Pension Fund

Best in the nation

Current Contract Employer Lockout Clause

Employer may not engage in a lockout during the life of the Agreement.

1938 Adjustments & Arbitration

None

Term of Agreement

One year

Current Contract Adjustments & Arbitration

Exemplary language and procedures

Term of Agreement

Three years



6178-0086174005-01

UFCW

UNITED FOOD & COMMERCIAL WORKERS

LOCAL 588

JUN 8 1987

#6879
FIRST
6,250

MAY 7 1987



JACK L. LOVEALL
President
International Vice President

April 29, 1987

LANCE REGINATO
Secretary-Treasurer
Executive Assistant
to the President

Ms. Janet L. Norwood, Commissioner
Department of Labor
Commissioner of Labor Statistics
Washington, D.C. 20212

Dear Ms. Norwood:

Sacramento
915 Broadway
Sacramento, CA 95818
916/441-6650
Toll Free 800/345-0588

In response to your request dated April 10, 1987, I would like to advise you that our Independent Agreement is not yet available; however, I am enclosing a copy of our current Master Food Agreement, our current Bel Air Markets Agreement, and our current Corti Brothers Agreement.

Stockton
1201 N. California St.
Stockton, CA 95202
209/948-4640

The Master Food Agreement covers approximately 6,250 members at approximately 126 locations; the Bel Air Agreement covers approximately 880 members at 9 locations; and the Corti Brothers Agreement covers approximately 160 members at 4 locations.

If you have any questions, please feel free to call my office.

Modesto
1026 McHenry Ave.
Suite 15
Modesto, CA 95350
209/521-0103

Sincerely,

Lance

LANCE REGINATO
Secretary-Treasurer

LR:ch

Enclosures

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INDEPENDENT